



Oudtshoorn Municipality Draft Annual Report 2010/11



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EXECUTIVE MAYOR'S FOREWORD

In terms of section **121(1) of the LG: Municipal Finance Management Act, Act 56 of 2003** stipulates that "Every municipality and every municipal entity must for each financial year prepare annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129." and at the same time "The Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control." As stipulated in section **127(2) of the LG: Municipal Finance Management Act, Act 56 of 2003**.

It is expected of the political head of a municipality to present its Annual Report as per the given legislation. As the elected Executive Mayor of the Oudtshoorn Municipality with effect from the 06 October 2010, due to the local government bi-elections held during September 2010, I am in the untenable and unique position to have to report on the activities of the Council. However, from reading the Annual Report 2010/2011 compiled by the council, I take note of the various achievements as well as the challenges that the council were confronted with. I would like to acknowledge the council as implementers of the Integrated Development Plan (IDP). I am acutely aware that we as public representatives and in service of our community have to ensure that we are accountable to public for effective and efficient service delivery, sound political governance, professional management and clean administration. As the Mayor of the town and my team are dedicated to the goal of good governance and clean administration. To give effect to this goal my Executive Mayoral Committee and I have during the first 13 months in office clearly, unambiguously and resolutely set out to do this.

May we join hands together to make Oudtshoorn a place for all to live in it and indeed an open opportunity society for all, as well as being a destination of choice for tourists and investors thereby ensuring that we all enjoy an excellent quality of life according to world-class standards. ***"Together we can do more".***

ALDERMAN GORDON APRIL

MAYOR

MUNICIPAL MANAGER'S FOREWORD

The LG: *Municipal Finance Management Act, Act 56 of 2003 section 126(1)(a)* stipulates that "The accounting officer of a municipality, must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing." The Oudtshoorn municipality intensified its effort to eradicate extreme poverty, unemployment, and housing and to provide basic services to the community of Oudtshoorn including rural areas. As you read this report it will become evident that the Oudtshoorn municipality is striving in its service delivery endeavours multiplying its outreach to the many poor communities including the surrounding areas. The commitment and dedication is embodied in the hard work of both our officials, Councillors, ward committees and other external stakeholders.

The Oudtshoorn Municipality, in recognition of this hard work and dedication, has won awards which include the EPWP programs where temporary jobs for short-term and long-term were created. The Oudtshoorn municipality is excelling in terms of the intensity in infrastructure and tourism. The potential growth study of towns for 2004 indicated that Oudtshoorn is a leading town in terms of infrastructure development.

As a developmental local government the provision of basic services is a responsibility embedded by the supreme law of the land, the Constitution of South Africa in which is guiding the White Paper on Local Government (1998).

We remain resolute in addressing the many challenges experienced by the Oudtshoorn municipality.

The challenges which manifest itself in infrastructural backlogs, environmental challenges, safety and security and the provision of housing and basic services will not prohibit officials and councillors to ensure that service delivery remains high in the agenda when planning and executing municipal objectives and strategies. Part of good governance practices is to ensure that the Oudtshoorn municipal council is accountable, transparent, responsive, effective and efficient, equitable and inclusive and that it adheres to the given legislations. Oudtshoorn municipality informs the community about the Integrated Development Plan (IDP) and budget processes and their role they can play in order to build a better place for all. Therefore, the council is serious to ensure members of the community and businesses that regular communications will takes place and municipal finances are being managed appropriately and that regular internal audit reports are being sent to the Audit and Performance Audit Committees regarding the municipal financial and non-financial performance. This year also brought about administrative stability where a municipal manager and four directors were appointed to drive processes of the municipality.

MR. NOEL PIETERSEN
MUNICIPAL MANAGER

CHAPTER 1

MUNICIPAL OVERVIEW



CHAPTER 1: INTRODUCTION AND MUNICIPAL OVERVIEW

1.1 MUNICIPAL OVERVIEW

This report addresses the performance of the Oudtshoorn Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2010/11 Annual Report reflects on the performance of the Oudtshoorn Municipality for the period 1 July 2010 to 30 June 2011. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.1.1 VISION AND MISSION

The Oudtshoorn Municipality committed itself to the vision and mission of:

Vision:

“A strong and caring municipality that strives to improve the quality of life of all our citizens in a sustainable manner”

Mission:

“To provide a better service, improve lives of the people, alleviate poverty and create a conducive environment for a sustainable economic and social development”

1.1.2 DEMOGRAPHIC INFORMATION

A) MUNICIPAL GEOGRAPHICAL INFORMATION

The Greater Oudtshoorn area nestles at the foot of the Swartberg Mountains in the heart of the Little Karoo region and has a total area of 3,537 m². It is defined as a semi-arid area with unique and sensitive environment. It was once the indigenous home of the Khoi-San people and the rock paintings on the walls of the caves in the surrounding area sends the message that survival in this area requires respect for the natural environment. Since 5th December 2000, the Oudtshoorn Municipal Area consists of large rural areas and includes the larger settlements of Oudtshoorn, Dysseisdorp, and De Rust, and the smaller rural settlements of Volmoed, Schoemanshoek, Spieskamp, Vlakteplaas, Grootkraal, Hoopvol, and Matjiesrivier.

Oudtshoorn lies within the boundaries of the Eden District Municipality in the Western Cape Province and spans over 3 535 km². The municipality is home to the world's largest ostrich population which is a key component of the agricultural industry. The Congo caves and the continued allure of the unique natural heritage of the area have also drawn international tourists from all over the world to this region. People have found the Little Karoo to be a place where you can experience both the harshness and the beauty of nature simultaneously.

Wards

The Municipality is currently structured into the following 12 Wards:

| WARD | AREAS |
|------|--|
| 1 | Town, Welbedacht, Lategansvlei, DE Hoop, Nooitgedacht, Matjiesrivier |
| 2 | Town, Schoemanshoek, Buffelsdrift, Blommetjieskloof |
| 3 | Town, Bridgton |
| 4 | Bridgton, Bongolethu |
| 5 | Brighton |
| 6 | Bridgton, Toekomsrus |
| 7 | Bridgton, Town |
| 8 | Bongolethu |
| 9 | Dysselsdorp |
| 10 | Dysselsdorp |
| 11 | De Rust, Rural areas |
| 12 | Town, Bridgton, Volmoed |
| 13 | Brighton |

Table 1: Municipal Wards

The image below indicates the position of the Oudtshoorn Municipality within the Eden District Municipality:



Figure 2: Western Cape Area map

The area includes the following large towns:

Oudtshoorn

Oudtshoorn is the ostrich capital of the world. Ostriches are found in great numbers and the region produces the best feathers, leather products and ostrich meat in the world. But the world's biggest bird is just one of the many attractions in this area of exceptional contrasts and natural beauty. It is also home to the spectacular Congo caves, Africa's largest show cave system and is in the vicinity of an ecological hotspot where three distinct plant biomes (succulent karoo, cape thicket and fynbos) converge.

Dysselsdorp

About 30 kilometres from Oudtshoorn, at the foot of the Kamanassie Mountains, lays Dysselsdorp, a hamlet predominantly owned and inhabited by descendants of erstwhile slaves and people of mixed heritage.

Founded in 1838 as a mission station by the London Missionary Society, and in 1877 it's approximately one and a half thousand hectares were granted in freehold to the 148 resident families by the then Commissioner of Crown Land, John X. Merriman. Residential as well as garden plots were allotted and the town was practically self-sufficient in those days. By and by, however, as in most contained small agricultural communities, poverty

became a factor and today most of the young people hold jobs in Oudtshoorn or work as seasonal labour on neighbouring farms.

Dysselsdorp also boasts a Kolping House, one of a worldwide chain of guest houses where men are taught a trade.

De Rust

De Rust is a small village at the gateway to the Klein Karoo and is located at the foot of the Swartberg Mountain range between Oudtshoorn and Beaufort West. De Rust is also known for the meandering Meiringspoort pass.

Meiringspoort is a gateway that connects the Klein Karoo (little Karoo) and the (great) Karoo through a gorge with a 25 km road crossing the same river 25 times in the span of the 25 km.

This area is also well known for Ostrich farming and most of the farmers in the area either farm exclusively with ostriches or as a side-line to their existing farming.

B) POPULATION

Population size provides an indication of the volume of demand for government services in a particular geographical space. It also serves as a planning measure to assist budget planners to match available resources to address the relative demand for services. The municipality is estimated to account for 17.5% of the Eden District's population (454 922).

a) Total Population

The table below indicates the total population within the municipal area from the Stats SA, Community Survey of 2007:

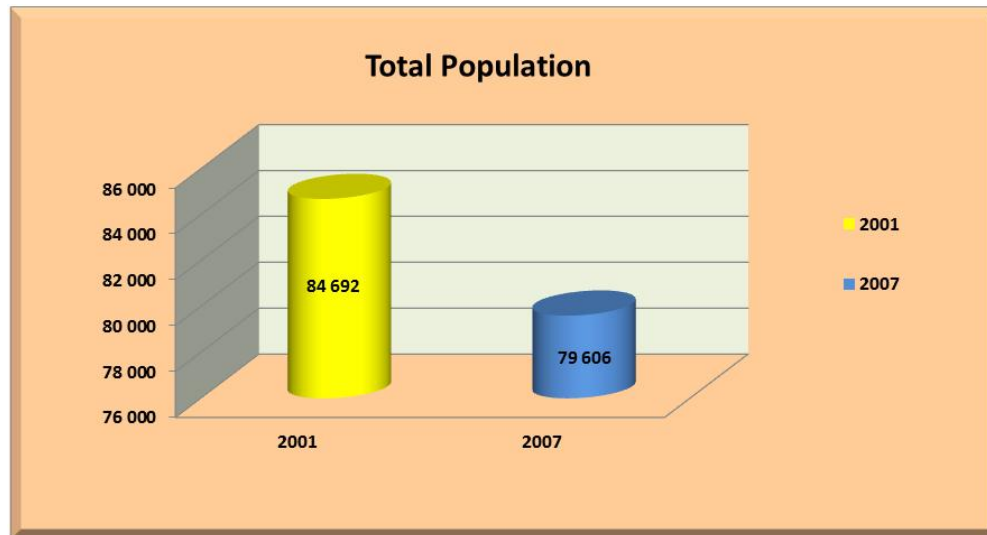
| 2001 | 2007 |
|--------|--------|
| 84 692 | 79 606 |

Table 2: Demographic information of the municipal area – Total population

Source: Stats SA, Community Survey 2007

As can be seen from the table above, the population declined by 6% between 2001 and 2007.

The graph below illustrate the population decline for the municipal area.



Graph 1: Total Population decline

c) HOUSEHOLDS

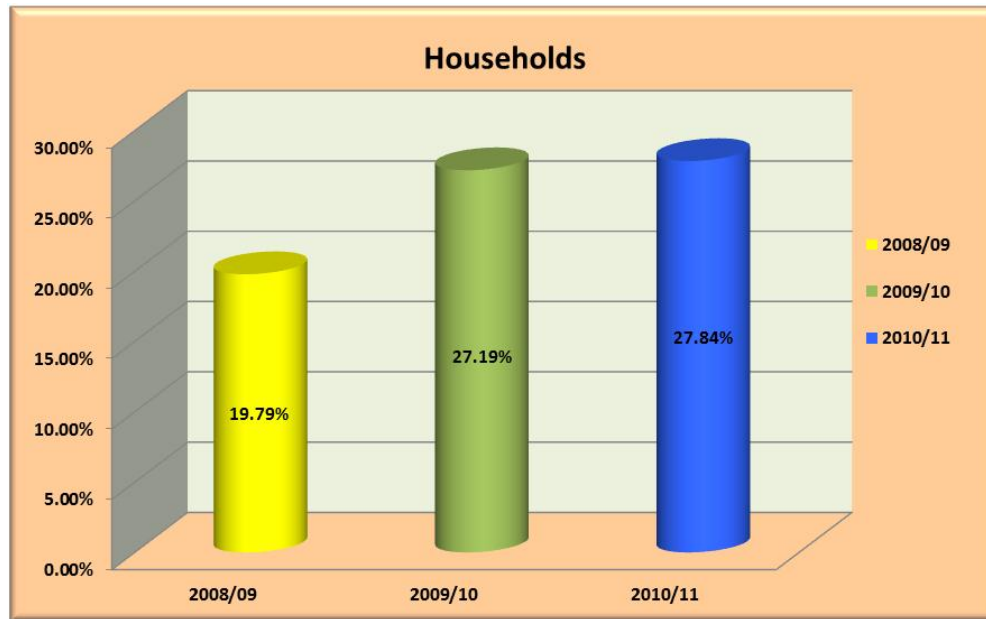
The majority of the households in the municipal area consist of core family members which are parents with children, with an average household size of 4,3. In many cases children are unable to move out of their parents houses, either because they cannot afford to move out (e.g. lack of affordable housing) as well as the lack of work in the area. Single person households and single parent households are also very common in the different wards. When analysing the table below, it must be kept in mind that the 2009/10 number of households is based on the 2007 community survey results (no survey has been done since then).

| Households | 2008/09 | 2009/10 | 2010/11 |
|---|---------|---------|---------|
| Number of households in municipal area (as per 2007 community survey) | 17 913 | 17 913 | 17 913 |
| Number of indigent households in municipal area | 3 545 | 4 870 | 4 987 |
| Percentage of indigent households in municipal area | 19.8 | 27.2 | 27.8 |

Table 3: Total number of households

**Note: The numbers of the households were amended and will therefore not match the figures in the previous year annual report.*

The graph below shows that the total number of indigent households increased from 19.79% in 2008/09 to 27.19% in 2009/10 financial year, indicating an increase of 37.37% in indigent households over the two years.



Graph 2: Total % indigent households within the municipal area

D) KEY ECONOMIC ACTIVITIES

Although Oudtshoorn has variace economic activities, tourism is the bigget which accounts for 24% of the activities as set out in the table below:

| Key Economic Activities | Description |
|--|---|
| Community, social and personal services | Oudtshoorn is the centre of regional culture, sports and art cultures (including the famous Klein Karoo Arts festival which has been hosted since 1994) and employs 8% of the work force and contributed 24% to the economy. It is close to the world famous Cango Caves which attracts tourists from all over the world. It is also benefits from the close proximity to the George coastal area which is one of the main economic and tourism hubs in the district. |
| Wholesale and retail trade, catering and accommodation | Employs 6% of the workforce and contributed 23% of the economy |
| Manufacturing | Employs 5 % of the workforce and contributed 12% to the economy |
| Agriculture | The agriculture of the district is based mainly around ostrich farming and is currently the area which has the most potential for future growth |

Table 4: Key Economic activities

1.1.3 SOCIO ECONOMIC INFORMATION

A) SOCIO ECONOMIC GROWTH

The potential economically active population in 2007 was 51 545 people with the labour force declined at an annual rate of 0.3% over the period 2001 to 2007. Employment grew from 20 602 workers in 2001 to 23 252 workers in 2007 which represents an average annual rate of 2%, while the unemployment rate decreased from 33.3% to 23.8% over the same period.

The socio-economic information for the municipal area is as follows:

| Housing backlog | Unemployment Rate 2007 (%) | Households with no Income 2001 (%) | Average pass rate for numeracy and literacy 2010 (%) | People older than 14 years illiterate 2005 (%) | HIV/AIDS Prevalence 2005 (%) | Urban/ rural household split (%) |
|-----------------|----------------------------|------------------------------------|--|--|------------------------------|----------------------------------|
| 13 000 | 23.8% | 7% | Grade 3: Literacy - 69.3% | 29% | 2.6% | 88/12 |
| | | | Grade 3: Numeracy - 34.3% | | | |
| | | | Grade 6: Literacy - 49.1% | | | |
| | | | Grade 6: Numeracy - 11.0% | | | |

Table 5: Socio Economic Information

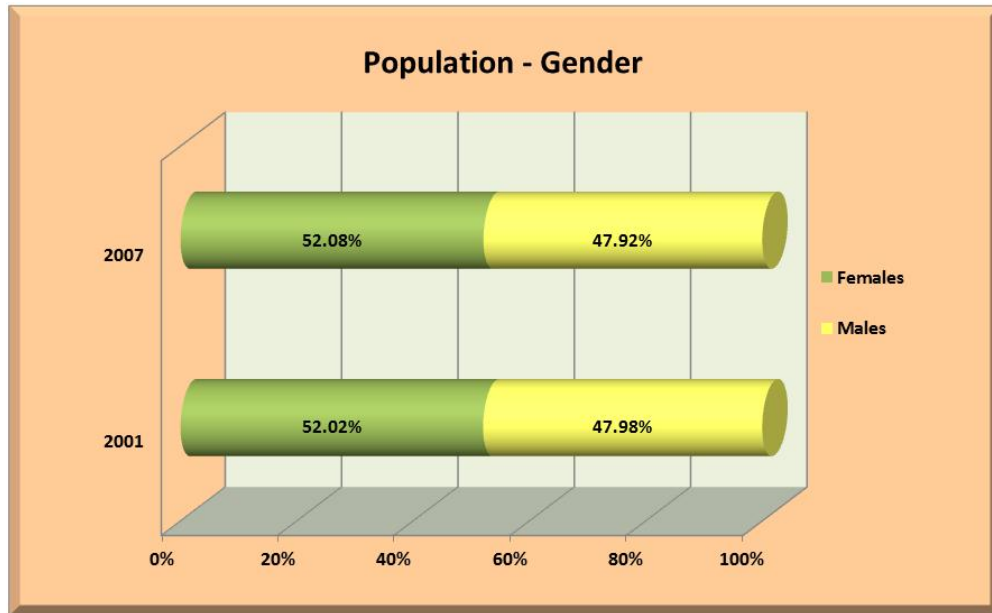
B) POPULATION BY GENDER

Although the population growth has declined from 2001 to 2007, the ratios between males and females remained stable with approximately 92 males for every 100 females.

| Population - Gender | 2001 | 2007 | % increase/decrease 2001-2007 |
|---------------------|---------------|---------------|-------------------------------|
| Females | 44 059 | 41 454 | -5.9% |
| Males | 40 633 | 38 150 | -6.1% |
| Total | 84 692 | 79 604 | -6.0% |
| Females | 52.02% | 52.08% | +0.06% |
| Males | 47.98% | 47.92% | -0.06% |

Table 6: Demographic information of the municipal area – Gender

The following graph displays the female to male ratio:



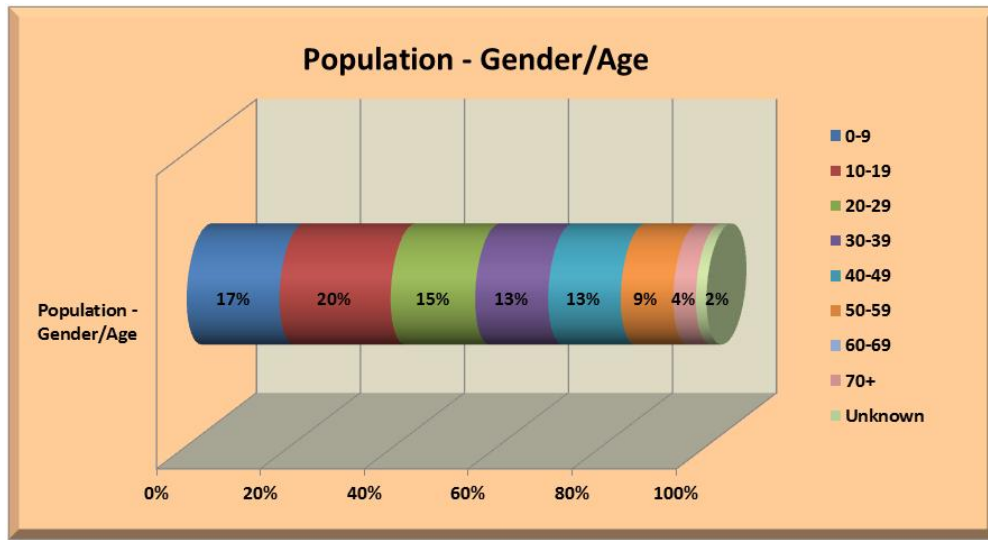
Graph 3: Gender Population

A) POPULATION BY AGE

| Population age | 2007 |
|----------------|--------|
| 0-9 | 16.64% |
| 10-19 | 19.92% |
| 20-29 | 15.14% |
| 30-39 | 13.09% |
| 40-49 | 13.00% |
| 50-59 | 9.44% |
| 60-69 | 6,83% |
| 70+ | 4.04% |
| Unknown | 1.90% |

Table 7: Demographic Information of the municipal area –Age

The graph below indicates the population categories by gender/age:



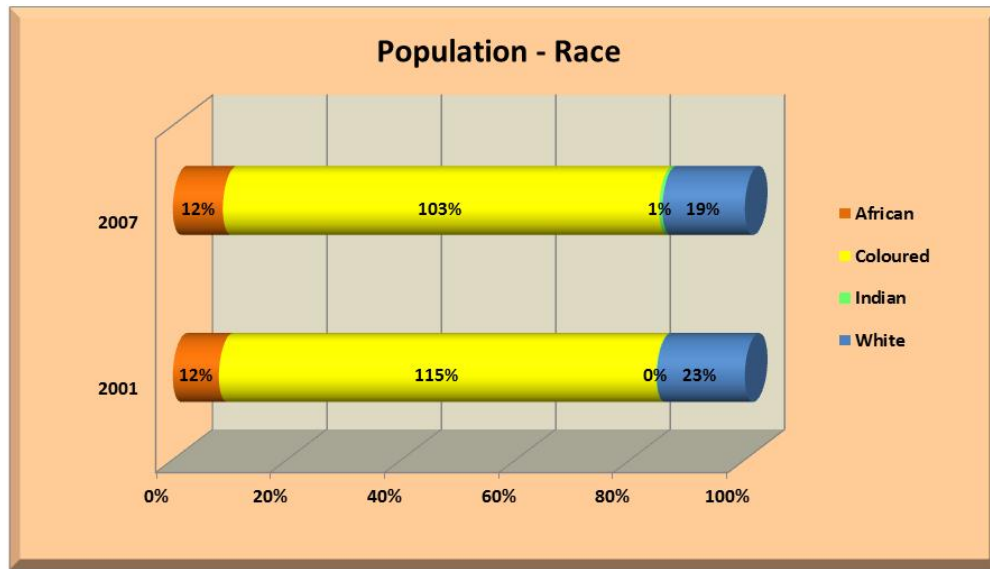
Graph 4: Population Categories by age

A) POPULATION BY RACE CATEGORIES

| Population - Racial | 2001 | 2007 |
|---------------------|--------|--------|
| African | 6 826 | 6 963 |
| Coloured | 64 733 | 60 703 |
| Indian/Asian | 96 | 476 |
| White | 13 035 | 11 462 |

Table 8: Demographic information of the municipal area – Race categories

The graph below shows the population by race:



Graph 5: Population by race

CHAPTER 2

GOVERNANCE



CHAPTER 2: GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 NATIONAL KEY PERFORMANCE INDICATORS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

| KPA & INDICATORS | MUNICIPAL ACHIEVEMENT | MUNICIPAL ACHIEVEMENT | MUNICIPAL ACHIEVEMENT |
|---|-----------------------|-----------------------|-----------------------|
| | 2008/09 | 2009/10 | 2010/11 |
| The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan | 59% | 95% | 62% |

Table 9: National KPIs - Good Governance and Public Participation Performance

2.2 PERFORMANCE HIGHLIGHTS - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

| Highlight | Description |
|---|---|
| Mayoral Izimbizo's April 2010 | 12 Wards – To identify community needs. |
| Establishment of ward committees | 12 Ward committees |
| The Technical department undertook several technical projects with successful completion, complying to council requirements | Construction of several Dysselsdorp CRDP projects |
| | Construction of roads and stormwater projects |
| | Maintenance of streets and stormwater |

Table 10: Good Governance and Public Participation Performance Highlights

2.3 CHALLENGES - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

| Description | Actions to address |
|--|--|
| Poor attendance of public participation sessions by the public and Councillors | Inform the community of the importance of the izimbizo in there wards |
| Rural areas | No access to newspapers, Transportation, distances between farms. Communication between the Municipality and the owners of the farms in terms of the farm workers to address their needs |

Table 11: Good Governance and Public Participation Challenges

2.4 GOVERNANCE STRUCTURE

2.4.1 POLITICAL GOVERNANCE STRUCTURE

The council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.

A) COUNCIL

Below is a table that categorised the councillors within their specific political parties and wards before 18 May 2011:

| Name of Councillor | Capacity | Political Party | Ward representing or proportional |
|--------------------------------|---------------------------------|-----------------|-----------------------------------|
| Executive Mayor Diane de Jager | Executive Mayor | DA | Ward 3 |
| Deputy Mayor G April | Chairperson: Corporate Services | Id | Ward 10 |
| Cllr. P Nel | Speaker | DA | Ward 2 |
| Cllr. V vd Westhuisen | Chairperson: Community Services | ID | Proportional |
| Cllr. E Fortuin | Chairperson: Technical Services | ID | Proportional |
| Cllr. AJ Swiegelaar | Chairperson: Finance | DA | Proportional |
| Cllr. E Ngalo | Councillor | ANC | Ward 9 |
| Cllr. AC Wagenaar | Councillor | ANC | Proportional |

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| Name of Councillor | Capacity | Political Party | Ward representing or proportional |
|---------------------------|-----------------|------------------------|--|
| Cllr. B Pannas | Councillor | NPP | Proportional |
| Cllr. N Gunguluza | Councillor | ANCE | Ward 8 |
| Cllr. N Soman | Councillor | ID | Ward 10 |
| Cllr E September | Councillor | NPP | Proportional |
| Cllr S Biljohn | Councillor | DA | Ward 7 |
| Cllr. J Coetzee | Councillor | ANC | Ward 6 |
| Cllr CN Ngalo | Councillor | ANC | DA |
| Prof. Cllr. J Olivier | Councillor | DA | Ward 1 |
| Cllr. S Billy | Councillor | ID | Proportional |
| Cllr. ZG Phillips | Councillor | ANC | Proportional |
| Cllr. C Stemmet | Councillor | DA | Ward 4 |
| Cllr. AJ Harmse | Councillor | ID | Ward 5 |
| Cllr. W Kawa | Councillor | ANC | Ward 11 |
| Cllr. M May | Councillor | DA | Proportional |
| Cllr. M Juta | Councillor | ANC | Proportional |

Table 12: Council until 18 May 2011

Below is a table that categorised the councillors within their specific political parties and wards after 18 May 2011:

| Name of councillor | Capacity | Political Party | Ward representing or proportional |
|---------------------------|-----------------------------------|------------------------|--|
| G April | Alderman & Executive Mayor | ANC | 9 |
| V Donson | Alderman & Executive Deputy Mayor | ICOSA | Proportional |
| J Stoffels | Alderman & Speaker | NPP | Proportional |
| Cllr.J.Le Roux Krowitz | Councillor | DA | 1 |
| P Nel | Alderman | DA | 2 |
| D De Jager | Aldelady | DA | 3 |
| N.Gunguluza | Councillor | ANC | 4 |
| H Ruiters | Councillor | ANC | 5 |
| J Goliath | Councillor | ANC | 6 |
| P Roberts | Councillor | DA | 7 |
| E Ngalo | Councillor | ANC | 8 |
| J Maxim | Councillor | COPE | Proportional |
| L Stalmeester | Councillor | ANC | 10 |
| R Wildschut | Councillor | DA | 11 |

| Name of councillor | Capacity | Political Party | Ward representing or proportional |
|----------------------|------------|-----------------|-----------------------------------|
| J Fourie | Councillor | DA | 12 |
| J Harmse | Councillor | ANC | 13 |
| C Wagenaar | Councillor | ANC | Proportional |
| E Fortuin | Councillor | DA | Proportional |
| C Macpherson | Councillor | DA | Proportional |
| F Magxaka | Councillor | DA | Proportional |
| I Van der Westhuizen | Councillor | DA | Proportional |
| H Botha | Councillor | ANC | Proportional |
| G Phillips | Councillor | ANC | Proportional |
| C Ngalo | Councillor | ANC | Proportional |
| B Van Wyk | Councillor | DA | Proportional |

Table 13: Council after 18 May 2011

Below is a table which indicates the Council meetings attendance for the 2010/11 financial year:

| Meeting dates | Number of items submitted | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
|------------------|---------------------------|--|---|
| 04 August 2010 | 1 | 100 | 0 |
| 05 August 2010 | 1 | 100 | 0 |
| 05 November 2010 | 1 | 91 | 9 |
| 23 November 2010 | 20 | 39 | 61 |
| 14 December 2010 | 10 | 56 | 44 |
| 21 December 2010 | | 69 | 31 |
| 20 January 2011 | 33 | 91 | 9 |
| 31 January 2011 | 14 | 100 | 0 |
| 8 February 2011 | 1 | 100 | 0 |
| 28 February 2011 | 5 | 100 | 0 |
| 31 March 2011 | 10 | 78 | 22 |
| 26 April 2011 | 10 | 60 | 40 |
| 04 May 2011 | 6 | 65 | 35 |
| 03 June 2011 | 22 | 44 | 56 |
| 06 June 2011 | 22 | 100 | 0 |

Table 14: Council meetings

B) EXECUTIVE MAYORAL COMMITTEE

The Executive Mayor of the Municipality, **Diane de Jager (prior to 18 May 2011)** and **G April (after 18 May 2011)**, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, and as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July to 6 October 2011:

| Name of member | Capacity | Period |
|-------------------------------|---------------------------------|--------------------------------|
| Alderslady Diane de Jager | Executive Mayor | 01 July 2010 – 06 October 2010 |
| Alderman Deputy Mayor G April | Chairperson: Corporate Services | 01 July 2010 – 06 October 2010 |
| Alderman P Nel | Speaker | 01 July 2010 – 06 October 2010 |
| Councillor V vd Westhuizen | Chairperson: Community Services | 01 July 2010 – 06 October 2010 |
| Councillor E Fortuin | Chairperson: Technical Services | 01 July 2010 – 06 October 2010 |

Table 15: Executive Mayoral Committee until 6 October 2011

The name and portfolio of each member of the Mayoral Committee is listed in the table below for the period 6 October to 18 May 2011:

| Name of member | Capacity | Period |
|--------------------------|--|-------------------------------|
| Executive Mayor: G April | Executive Mayor | 06 October 2010 – 18 May 2011 |
| Alderman B Pannas | Deputy Executive Mayor & Chairperson: Corporate Services | 06 October 2010 – 18 May 2011 |
| Alderman C Wagenaar | Speaker | 06 October 2010 – 18 May 2011 |
| Councillor N Gunguluza | Chairperson: Community Services | 06 October 2010 – 18 May 2011 |
| Councillor W Kawa | Chairperson: Technical Services | 06 October 2010 – 18 May 2011 |

Table 16: Executive Mayoral Committee for the period 6 October – 18 May 2011

The name and portfolio of each member of the Mayoral Committee is listed in the table below for the period after 18 May 2011:

| Name of member | Capacity |
|---------------------|------------------------|
| Alderman G April | Executive Mayor |
| Alderman BDD Linden | Executive Deputy Mayor |

| Name of member | Capacity |
|--------------------------|---------------------------------|
| Alderman BA Pannas | Speaker |
| Alderman C Wagenaar | Chairperson: Technical Services |
| Councillor N Gunguluza | Chairperson: Community Services |
| Councillor C Ngalo | Chairperson: Corporate Services |
| Councillor L Stalmeester | Chairperson: Financial Services |

Table 17: Executive Mayoral Committee after 18 May 2011

The table below indicates the dates of the Committee meetings and the number of reports submitted to Council for the 2010/11 financial year:

| Meeting date | Number of items submitted to council |
|-------------------|--------------------------------------|
| 22 June 2010 | 10 |
| 01 July 2010 | 3 |
| 29 July 2010 | 2 |
| 23 August 2010 | 1 |
| 31 August 2010 | 12 |
| 15 September 2010 | 5 |
| 26 November 2010 | 4 |
| 10 December 2010 | 30 |
| 27 January 2012 | 1 |
| 04 February 2012 | 2 |
| 15 February 2012 | 8 |
| 17 February 2012 | 1 |
| 24 February 2012 | 7 |
| 02 March 2012 | 5 |
| 04 March 2012 | 6 |
| 18 March 2012 | 3 |
| 30 March 2012 | 2 |
| 07 April 2012 | 2 |
| 08 April 2012 | 2 |
| 13 May 2012 | 2 |
| 14 June 2012 | 10 |

Table 18: Executive Mayoral Committee Meetings

(Please note that the name and functions of the committees have on numerous occasions been altered due to the change of council.)

c) PORTFOLIO COMMITTEES

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the executive committee as needed. They are usually set up to investigate a particular issue and do not have any decision making powers. Just like Section 80 committees they can also make recommendations to Council. Once they have completed their *ad hoc* task, Section 79 committees are usually disbanded. External experts, as well as Councillors, can serve on Section 79 committees.

The portfolio committees for the 2006/11 Mayoral term and their Chairpersons are as follows:

| Committee | Chairperson | Section 79 or 80 Committee | Dates of meetings |
|--|--------------|----------------------------|-------------------|
| Corporate Services Portfolio (2006/11) | JD Swigelaar | Section 79 | Various meetings |
| Corporate Services Portfolio (2011) | B Pannas | Section 79 | Various meetings |
| Financial Services Portfolio (2006/11) | C Stemmet | Section 79 | Various meetings |
| Financial Services Portfolio (2011) | Z Phillips | Section 79 | Various meetings |
| Socio Economic Development Portfolio (2006/11) | J Harmse | Section 79 | Various meetings |
| Technical Services (2006/11) | A Le Kay | Section 79 | Various meetings |
| Technical Services (2011) | W Kawa | Section 79 | Various meetings |
| Strategic Services (2011) | J Harmse | Section 79 | Various meetings |
| Community Services (2011) | N Gunguluza | Section 79 | Various meetings |

Table 19: Portfolio Committees

2.4.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

| Name of Official | Department | Performance agreement signed |
|------------------|-------------------------|------------------------------|
| | | (Yes/No) |
| Mr T Mnyimba | Municipal Manager | Yes |
| Mr F Human | Corporate Services | Yes |
| Mr D Lott | Chief Financial Officer | Yes |
| Mr F Human | Corporate Services | Yes |
| Ms Z Ntile | Technical Services | No |
| Mr R Lottering | Community Services | Yes |

Table 20: Administrative Governance Structure

2.5 PUBLIC ACCOUNTABILITY

Section 16 of the Municipal Systems Act (MSA) refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

2.5.1 WARD COMMITTEES

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

WARD 1 : Town, Welbedacht, Lategansvlei, DE Hoop, Nootgedacht, Matjiesrivier

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Chrissie Adams | Rural | 2 |
| Noof Oktober | Rural | |
| Leentjie Booysen | Rural | |
| Francoise Brill | Business | |
| Christian Serfontein | Civic/Ratepayers | |
| Adrian Viljoen | Religious | |
| Eden Skinner | Cultural | |
| Johanna Lodewyk | Safety & Security | |
| Dinah Klase | Education | |
| Bernadine Uithaler | Youth | |

Table 21: Ward 1 Committee Meetings

WARD 2: Town, Schoemanshoek, Buffelsdrift, Blommetjieskloof

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Glen Anthony Carlisle | Religious Grouping | 2 |
| Geoff Wilck | Formal Business | |
| Frank Witbooi | Rural | |
| Katrien Booysen | Rural | |
| Magdalene Van Vuuren | Education | |
| Lizannè Pelham | Civic/Rate Payers | |
| Gideon Ferreira | Health | |
| Kosie Esterhuize | Welfare | |
| Johan Terblanche | Safety & Security | |
| Chaan-Marie Piedt | Youth | |

Table 22: Ward 2 Committee Meetings

WARD 3: Town, Bridgton

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Ellis Meyer | Informal Business | 3 |
| Sheila Barnard | NGO | |
| Mary Louisa Stuurman | Religious | |
| Hennie Davel | Formal Business | |
| Koos Claassen | Health | |
| Angeline Lekay | Cultural | |
| Daniel Bester | Ratepayers/Civic | |
| Abraham Jacobs | Welfare | |
| Engela Serfontein | Health | |
| John Abrahams | Sport | |

Table 23: Ward 3 Committee Meetings

WARD 4: Bridgton, Bongolethu

| Name of representative | Capacity representing | Number meetings held during the year |
|-------------------------|-----------------------|--------------------------------------|
| Nomsa Miriam Jaxa | Cultural Organisation | 4 |
| Adam De Jager | Education | |
| Cashile Ethel Jack | Formal Business | |
| Timoty Mbulelo Maliwa | Religious | |
| Isaac Thembani Dikqacwi | Safety & Security | |
| Natasha Stuurman | NGO | |
| Johannes Nombande | Religious | |
| Christina Muller | Health | |
| Vuyoletu Machean | Youth | |
| Solomon Maxim | Sport | |

Table 24: Ward 4 Committee Meetings

WARD 5: Bridgton

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Maureen Quosè | Health | 2 |
| Daphne Koeries | Cultural | |
| Arthur Bezuidenhout | Sport | |
| Bertha Prins | Welfare | |
| Mary Goliath | Religious | |
| Michelle Hartnick | Youth | |
| Dina Piet | Safety & Security | |
| Hekkie Visman | Informal Business | |
| Piet Pietersen | Education | |
| Mina Ruiters | Civic/Ratepayers | |

Table 25: Ward 5 Committee Meetings

WARD 6: Bridgton, Toekomsrus

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Jacobus Jacobs | Cultural | 4 |
| Thomas Martin April | Education | |
| Veronica Williams | Formal Business | |
| Freddie Andries | Religious | |
| Sepido Michaels | Youth | |
| Jacolene Olifant | Safety & Security | |
| Annie Fouchè | Health | |
| Dora Victoria Moos | NGO | |
| Sonia Delport | Ratepayers/Civic | |
| Elcano Xavier Matthews | Sport | |

Table 26: Ward 6 Committee Meetings

WARD 7: Bridgton, Town

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Stephen Oliphant | Welfare | 1 |
| Cornelia Blaauw | Informal Business | |
| Isaac Andrew Estcourt | Sport | |
| Jan Ayford | NGO | |
| Joan Campher Lottering | Formal Business | |
| Katie Afrika | Ratepayers/Civic | |
| Peter John Oliphant | Youth | |
| David Ruiters | Environment | |
| Benjamin Pannas | Education | |
| Ellen Margaret Kam | Religious | |

Table 27: Ward 7 Committee Meetings

WARD 8: Bongolethu

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Johannes Everts | Informal Business | 3 |
| Nella Philander | Civic/Rate Payers | |
| Kenneth Grootboom | NGO | |
| Vuyelwa T Misani | Welfare | |
| Eva Gxowa | Cultural | |
| Klaas Lewendal | Religious | |
| Sara Collins | Health | |
| Thozama Nongana | Safety & Security | |
| Oscar Maliwa | Youth | |
| Lawrence Lwana | Rural | |

Table 28: Ward 8 Committee Meetings

WARD 9: Dysselsdorp

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Gert Lewis | Safety & Security | 1 |
| Rochelle Claassen | Education | |
| Johannes Prinsloo | Informal Business | |
| Johan Moos | Religious | |
| Daniël J Daniels | Ratepayers/Civic | |
| Johnston Jansen | Youth | |
| Lenie Campher | Business | |
| Jakomyn Agus | Welfare | |
| Isaac Lottering | Rural | |
| Cornelius Dyssel | Rural | |
| Jakoba Miggels | Rural | |

Table 29: Ward 9 Committee Meetings

WARD 10: Dysselsdorp

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Rosemary Ann Job | Sport | 3 |
| Petrus Jaftha | Religious | |
| Elizabeth Pietersen | Safety & Security | |
| Nellie Soman | Informal Business | |
| Caroline Wagenaar | Welfare | |
| Hester Herman | Rural | |
| Beulda Botha | Rural | |
| Weslin Oktober | Youth | |
| Joey Thorne | NGO | |
| Jaques Oktober | Education | |

Table 30: Ward 10 Committee Meetings

WARD 11: De Rust, Rural areas

| Name of representative | Capacity representing | Number meetings held during the year |
|----------------------------|-----------------------|--------------------------------------|
| Sameul Bakkies | NGO | 2 |
| Diana Segall | Ratepayers/Civic | |
| Gerrit Gerhardes Plaatjies | Sport | |
| Kaye Koekemoer | Formal Business | |
| Elledine Conradie | Welfare | |
| Anna Windvogel | Health | |
| Andries Januarie | Religious | |
| Jan van der Ross | Education | |
| Sameul Meiring | Rural | |
| Berenice Adams | Youth | |

Table 31: Ward 11 Committee Meetings

WARD 12: Town, Bridgton, Volmoed

| Name of representative | Capacity representing | Number meetings held during the year |
|------------------------|-----------------------|--------------------------------------|
| Herman Baatjies | Religious | 3 |
| Johanna Floors | Welfare | |
| Jaqueline Wagenaar | Sport | |
| Gerhard Wagner | Rural | |
| Brenda Langhtrey | NGO | |
| Joseph Josephs | Rural | |
| Winston van Vuuren | Youth | |
| Joey Canary | Health | |
| Elbe Slabbert | Education | |
| Bartel du Toit | Business | |

Table 32: Ward 12 Committee Meetings

WARD 13: Bridgton

| Name of representative | Capacity representing | Number meetings held during the year |
|--------------------------|-----------------------|--------------------------------------|
| Micheal Wagenaar | Health | 2 |
| Lionel Loff | Welfare | |
| Colin Ceaser | Cultural | |
| Dean Claassen | NGO | |
| Vernon Andries | Religious | |
| Mathilda Manewil | Formal Business | |
| Willie Jeffrie September | Education | |
| Kenny Powrie | Ratepayers/Civic | |
| Anna Piedt | Informal Business | |
| Llewellyn Grootboom | Youth | |

Table 33: Ward 13 Committee Meetings

2.5.2 FUNCTIONALITY OF WARD COMMITTEE

The purpose of a ward committee is:

- to get better participation from the community to inform council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the council. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

The table below provides information on the establishment of Ward Committees and their functionality:

| Ward Number | Committee established: Yes / No | Number of reports submitted to the Speakers/IDP Office | Number meetings held during the year | Committee functioning effectively: Yes / No | Issues raised to be addressed |
|-------------|---------------------------------|--|--------------------------------------|---|-------------------------------|
| 1 | Yes | 4 | 4 | Yes | Induction Training |
| 2 | Yes | 3 | 3 | Yes | |

| Ward Number | Committee established: Yes / No | Number of reports submitted to the Speakers/IDP Office | Number meetings held during the year | Committee functioning effectively: Yes / No | Issues raised to be addressed |
|-------------|---------------------------------|--|--------------------------------------|---|---|
| 3 | Yes | 4 | 4 | Yes | Social Service Housing Safety Service Delivery Electricity |
| 4 | Yes | 1 | 1 | Yes | |
| 5 | Yes | 1 | 1 | Yes | |
| 6 | Yes | 3 | 3 | Yes | |
| 7 | Yes | 2 | 2 | Yes | |
| 8 | Yes | 1 | 1 | Yes | |
| 9 | Yes | 1 | 1 | Yes | |
| 10 | Yes | 3 | 3 | Yes | |
| 11 | Yes | 1 | 1 | Yes | |
| 12 | Yes | 2 | 2 | Yes | |
| 13 | Yes | 2 | 2 | Yes | |

Table 34: Functioning of Ward Committees

2.5.3 REPRESENTATIVE FORUMS

A) LABOUR FORUM

The table below specifies the members of the Labour forum for the 2010/11 financial year:

| Name of representative | Capacity | Meeting dates |
|-------------------------------|--|-----------------------------|
| Cllr. C Ngalo | Chairperson | 9 July 2010 2 March 2011 |
| Cllr. B Pannas | Councillor | |
| Cllr. DN De Jager | Councillor | |
| Honourable Mayor: Mr. G April | Honourable Mayor | |
| Mr. MN Pietersen | Municipal Manager | |
| Ms. Y Shishana | Acting Chief financial Officer | |
| Mr. W Muller | Acting Senior Manager: Contract & legal Services | |
| Mr. L Coetzee | Acting Director: Corporate Services | |
| Ms. W Nojoko | Manager: Human Resources | |
| Mr. ZG Tyatya | Acting Labour Relations Officer | |
| Mr. E Jantjies | Human Resources Intern | |
| Ms. R Benjamin | Senior Clerk Council Support Services | |
| SAMWU | Organised Labour (x6) | |

Table 35: Labour Forum

B) CLUSTER FORUM

The Oudtshoorn Municipality does not have an IDP forum in the true sense of the word, but have implemented, and is running, a series of cluster forums which mainly serves the same purpose but concentrates efforts in specific areas. The Executive Mayor serves as the Chairperson and the purpose of the forum is to coordinate and integrate all developmental orientated projects and programs in the municipality as well as to develop yearly integrated implementation plans for the different programs. These forums were created during 2008/09 and commenced their functions during the 2009/10 financial year.

The table below indicates the main Oudtshoorn forum and their functions:

| Cluster forum | Function of the forum |
|---------------------------------------|--|
| Intergovernmental Relation Forum | To coordinate all the inter-governmental related activities and programs. To develop yearly integrated implementation plan for health and safety, social development, local economic development, infrastructure, skills development, safety and security, information as so on. |
| Greater ODN Sports Forum | To coordinate all sports related activities projects and programs. To develop yearly integrated implementation plan for sports program. |
| Greater ODN Environmental Forum | To coordinate all environmental related activities projects and programs. To develop yearly integrated implementation plan for environmental program. |
| Greater ODN Arts and Culture Forum | To coordinate all Arts & Culture related activities projects and programs. To develop yearly integrated implementation plan for arts & culture program. |
| Greater ODN Ward Committee Forum | To coordinate all ward based infrastructure related activities projects and programs. To develop yearly integrated implementation plan for infrastructure program. |
| Greater ODN Safety and Security Forum | To coordinate all Safety and security related activities projects and programs. To develop yearly integrated implementation plan for safety and security development program. |
| HIV/AIDS Council | To coordinate all HIV/Aids related activities projects and programs. To develop yearly integrated implementation plan for HIV/Aids. |
| Greater ODN Economic Forum | To coordinate all economic related activities projects and programs. To develop yearly integrated implementation plan for economic programs. |
| Greater ODN Youth Forum | To coordinate all Youth related activities projects and programs. To develop yearly integrated implementation plan for youth program. |
| Indigenous/Traditional Leaders | To coordinate all indigenous/Traditional related activities projects and programs. To develop yearly integrated implementation plan for this program. |
| Social Transformation Forum | To coordinate all social related activities projects and programs. To develop yearly integrated implementation plan for social development program. |
| Religious Forum | To coordinate all Religious related activities projects and programs. To develop yearly integrated implementation plan for the religious program. |

Table 36: Cluster forums and functions

2.4.4 IZIMBIZO

Izimbizo gives further effect and concrete expression to participatory democracy so that communities can exercise their rights to be heard, and assist with the national effort to build a better life for all.

Government launched the Izimbizo programme in 2001 as a period of intensified activity where all spheres of government - national, provincial and local - interact with the people across the country. The Izimbizo initiative plays an important role as an interactive style of governance, which creates more space for public participation and involvement around interactive implementation of government's Programme of Action.

Izimbizo is about unmediated communication between government and its people. It is a forum for enhancing dialogue and interaction between senior government executives and ordinary people and provides an opportunity for government to communicate its programmes and progress directly to the people. Izimbizo also promotes participation of the public in the programmes to improve their lives. Interaction through Izimbizo highlights particular problems needing attention, blockages in implementation of policy, or policy areas that may need review. It draws public input into how best to tackle challenges and gives the President and others direct access to what people say and feel about government and service delivery, to listen to their concerns, their grievances and advice about the pace and direction of government's work.

The table below categorise the date of events held within the different types of Izimbizo:

| Type of Izimbizo | Date of events | Event Purpose | Number of community members attending | Issues raised by community | Issues addressed (Yes/No) |
|-------------------|----------------|---------------------------------------|---------------------------------------|----------------------------|---------------------------|
| Mayoral Izimbizos | April 2010 | Identify community needs- ward based. | 428 | • Housing | Yes |
| | | | | • Water | Yes |
| | | | | • Electricity | Yes |
| | | | | • Streets | Yes |

Table 37: Izimbizo

2.6 CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.6.1 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

A) DEVELOPED STRATEGIES

| Name of strategy | Developed Yes/No | Date Adopted/Reviewed |
|---------------------------|---------------------|-----------------------|
| Anti-corruption strategy | Yes | July 2009 |
| Fraud prevention strategy | Yes | |

Table 38: Strategies

B) IMPLEMENTATION OF STRATEGIES

| Strategies to implement | Key Risk Areas | Key measures to curb corruption and fraud |
|----------------------------|---|--|
| Policy | Non-existence of policies leaves everything open to misuse which can result in fraud and corruption | A fraud and corruption policy is a key defence mechanism because it highlights the fact that the institution has a formal framework in place for dealing with fraud and corruption |
| | Inadequate policies will not fully detect and prevent fraud and corruption | |
| | Non-implementation and /or adherence to such policies | |
| Institutional arrangements | No or inadequate external audit committees, both regular and performance, will lead to gaps | The creation of specific structures (e.g. a fraud committee) and the definition of roles and responsibilities enable coordination and management of programme implementation. At a municipal level these would include structures such as internal audit and the external audit committee |
| | No or inadequate fraud committee | |
| | No or inadequate internal audit function | |
| Systems and controls | No or inadequate systems and control measures leads to gaps for misuse | Having well-structured and documented systems and controls in place nullifies gaps and loopholes that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanism that will facilitate detection where there are attempts to override or circumvent such systems and controls. Importantly, systems and controls will ensure compliance with policies and regulations. Supply chain management |
| | No or inadequate training on such systems and controls | |

| Strategies to implement | Key Risk Areas | Key measures to curb corruption and fraud |
|---------------------------------------|---|--|
| | Non-compliance with policies and regulations | is a good example of where systems and controls are crucial in preventing fraud and corruption |
| Fraud and Corruption Risk Management | No or inadequate fraud and risk assessments | All organisations have systems and controls in place with varying levels of structure and detail. Despite this, organisations are still vulnerable to fraud and corruption because systems and controls are not properly implemented or there inherent gaps and weaknesses that can be exploited. Conducting fraud and corruption risk assessments enables organisations to test the integrity and completeness of their systems and controls with a view to implementing measures that strengthen areas of weakness and closing gaps. This approach proactively allows the organisation to prevent fraud and corruption |
| Training, Awareness and Communication | No training leads incorrect mind-sets and culture | Making managers, staff, suppliers and customers aware of the risks of fraud corruption, how to deal with it, what the consequences are and why it is important to prevent and fight it is a key weapon in building up an organisational culture that opposes fraud and corruption. Through training managers and staff could be made aware what to watch out for so that they do not willingly or unwillingly participate in acts of fraud and corruption. Communicating successes in dealing with fraud and corruption serves as deterrent to others and builds the corporate image of an institution |
| | Inadequate training plans and processes | |
| | Lack of awareness of the risk of fraud and corruption | |

Table 39: Implementation of the Strategies

2.6.2 AUDIT COMMITTEE/S

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- effective governance.

A) FUNCTIONS OF THE AUDIT COMMITTEE

No Audit Committee in place since September 2010.

The Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003 and the Local Government Municipal and Performance Management Regulation:

- To advise the Council on all matters related to compliance and effective governance.

- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of revenue Act (DoRA) and other applicable legislation.
- Respond to the Council on any issues raised by the Auditor-General in the audit report.
- Carry out such investigations into the financial affairs of the municipality as Council may request.
- To review the quarterly reports submitted to it by the internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To evaluate the compliance to existing policies and relevant legislation.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- To review significant transactions that does not normally form part of Council's business.
- To review the annual report of the municipality.
- Investigating cases of fraud, misbehaviour and conflict of interest involving employees.
- To focus on and review changes in the accounting policies.
- Making recommendations to Council and also carrying out its responsibility to implement the recommendations.
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.
- Review the plans of the Internal Audit function and, in so doing, ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Review audit results and action plans implemented by management.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

B) MEMBERS OF THE AUDIT COMMITTEE

| Name of representative | Capacity | Meeting dates |
|------------------------|--------------------|-----------------------------------|
| Mr. A Helberg | Chairperson | 13 July 2010 20 September 2010 |
| Mr. F Jansen | Deputy Chairperson | |
| Mr. PC. Meyer | Member | |
| Mr. W Snyman | Member | |
| Mr. B Spenceley | Member | |

Table 40: Members of the Audit Committee

2.6.3 PERFORMANCE AUDIT COMMITTEE

The Regulations require that the performance audit committee is comprised of a minimum of three members, the majority of whom are external (neither a councillor nor an employee) of the municipality. Section 14(2) (b) of the Regulations further stipulates that the performance audit committee must include at least one person who has expertise in performance management. It is also a requirement of the Regulations in Section 14(2)(d) that the Council of a municipality designate neither a member of the performance audit committee who is neither a councillor nor an employee of the municipality as the chairperson of the committee.

In terms of Section 166(4) (a) of the MFMA, an audit committee must consist of at least three persons with appropriate experience, of who the majority may not be in the employ of the municipality.

Section 166(5) of the MFMA, requires that the members of an audit committee must be appointed by the council of the municipality. One of the members, not in the employ of the municipality, must be appointed as the chairperson of the committee. No councillor may be a member of an audit committee.

Both the Regulations and the MFMA, indicate that three is the minimum number of members needed to comprise a performance audit committee. While the regulations preclude the appointment of a councillor as chairperson of the performance audit committee, the MFMA excludes the involvement of a councillor in the composition of a performance audit committee entirely.

Section 14(3) (a) of the Regulations requires that the performance audit committee of a municipality must meet at least twice during each financial year. However, additional special meetings of the performance audit committee may be called for by any member of the committee, where sufficient justification exists in terms of Section 14(3) (b) of the Regulations.

A) FUNCTIONS OF THE PERFORMANCE AUDIT COMMITTEE

In terms of Section 14(4) (a) of the Regulations the performance audit committee has the responsibility to -

- (i) review the quarterly reports produced and submitted by the internal audit process;
- (ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
- (iii) at least twice during each financial year submit a performance audit report to the council of the municipality.

B) MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

| Name of Member | Capacity | Experience | Meeting dates |
|----------------------------|----------|--------------------------|---------------|
| Mr. B.J. Lodewyk | Chairman | Chartered Accountant(SA) | 15 June 2011 |
| Dr. B. Jansen van Rensburg | Member | Doctorate in Economics | |
| Ms. N. Salie | Member | BCom Finance(Hons) | |
| Mr. A.P. Croutz | Member | B. Proc | |

Table 41: Members of the Performance Audit Committee

2.6.4 INTERNAL AUDITING

Section 165 (2) (a), (b) and (c) of the MFMA requires that:

The internal audit unit of a municipality must –

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:
 - (i) Internal audit;
 - (ii) internal controls;
 - (iii) accounting procedures and practices;
 - (iv) risk and risk management;
 - (v) performance management;
 - (vi) loss control; and
 - (vii) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; and
- (c) perform such other duties as may be assigned to it by the accounting officer.

The Oudtshoorn Municipality has its own internal audit section and currently consists of 2 staff members.

Below are the functions of the Internal Audit Unit that was performed during the two financial years:

| Function | Date/Number |
|--|-----------------|
| Risk analysis completed/reviewed | No |
| Risk based audit plan approved for 2010/11 financial year | 9 December 2009 |
| Internal audit programme drafted and approved | No |
| Number of audits conducted and reported on | 22 |
| Audit reports included the following key focus areas: | |
| <i>Internal controls</i> | |
| <i>Accounting procedures and practices</i> | |
| <i>Risk and risk management</i> | |
| <i>Performance management</i> | |
| <i>Loss control</i> | |
| <i>Compliance with the MFMA and other legislation</i> | |

Table 42: Internal Audit Functions

2.6.5 BY-LAWS AND POLICIES

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies.

No by-laws were revised/adopted during the 2010/11 financial year.

Below is a list of all the municipal by-laws:

| By-laws developed/revised | Date of Publication |
|--------------------------------------|---------------------|
| Fire Safety | 12 June 2009 |
| Electricity | 12 June 2009 |
| Public Amenities | 12 June 2009 |
| Roads and Streets | 12 June 2009 |
| Solid Waste Disposal | 12 June 2009 |
| Sporting Facilities | 12 June 2009 |
| Storm Water Systems | 12 June 2009 |
| Customer care and Revenue management | 12 June 2009 |
| Irrigation Water | 12 June 2009 |
| Public buses and Taxes | 12 June 2009 |
| Special parking Places for vehicles | 12 June 2009 |

| By-laws developed/revised | Date of Publication |
|---------------------------------|---------------------|
| Solar Water heater Panels | 12 June 2009 |
| Impoundment of Animals | 12 June 2009 |
| Prevention of Public Nuisances | 12 June 2009 |
| Municipal Dwelling | 12 June 2009 |
| Outdoor advertising and signage | 12 June 2009 |
| Water Supply and Sanitation | 12 June 2009 |
| Aerodrome | 12 June 2009 |
| Fences and Fencing | 12 June 2009 |
| Commonage | 12 June 2009 |
| Cemeteries and Crematoria | 12 June 2009 |
| Property Rates | 12 June 2009 |

Table 43: By-laws

Below is a list of all the policies developed:

| Policies developed/ revised | Date adopted |
|--|---------------------------|
| Subsistence and Travel Policy | Information not available |
| Recruitment and selection policy | Information not available |
| Overtime Policy | 20 April 2007 |
| Asset management policy | 29 May 2008 |
| Allocation of Grants in aid policy | Information not available |
| Bad debt write-off policy | 29 May 2008 |
| Cellular policy | 29 May 2008 |
| Investments and cash management policy | 29 May 2008 |
| Property rates policy | March 2009 |
| Study bursary scheme | October 2007 |
| Supply chain management | 25 October 2007 |
| Training and Development | 29 May 2008 |

Table 44: Policies

2.6.6 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of

transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

The communities, on the other hand, have a right and a responsibility to participate in local government affairs and decision-making and ample provision is made in the abovementioned legislation for them to exercise their right in this respect. Our democratic government is committed to the principle of *Batho Pele* and this, in simple terms, means that those we elect to represent us (councillors at the municipal level) and those who are employed to serve us (the municipal officials at municipal level) must always put people first in what they do.

Below is a communication checklist of the compliance to the communication requirements:

| Communication activities | Yes/No |
|--|--------|
| Communication unit | Yes |
| Communication strategy | Yes |
| Communication policy | No |
| Customer satisfaction surveys | No |
| Functional complaint management systems | Yes |
| Newsletters distributed at least quarterly | Yes |

Table 45: Communication Activities

2.6.7 WEBSITE

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

| Documents published on the Municipal website | Date Published |
|---|-------------------|
| Current annual and adjustments budgets and all budget-related documents | 1 July 2011 |
| All current budget implementation policies | 13 September 2010 |
| Tariff policy | 18 February 2010 |
| Credit control policy | 18 February 2010 |
| Valuation policy | 7 December 2009 |
| SCM policy | 30 June 2009 |
| Annual report (2009/10) | No |

| Documents published on the Municipal website | Date Published |
|---|------------------|
| Performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act for 2010/11 | No |
| All service delivery agreements for 2010/11 | No |
| All long-term borrowing contracts for 2010/11 | 12 February 2010 |
| All supply chain management contracts above the prescribed value for 2010/11 | No |
| Information statement containing a list of assets over a prescribed that have been disposed of in terms of section 14 (2) or (4) of the MFMA during 2010/11 | No |
| Contracts agreed in 10/11 to which subsection (1) of section 33 of the MFMA apply, subject to subsection (3) of that section | 8 January 2011 |
| Public-private partnership agreements referred to in section 120 of the MFMA made in 2010/11 | Not applicable |
| All quarterly reports tabled in the council in terms of section 52 (d) of the MFMA during 2010/11 | No |

Table 46: Website Checklist

CHAPTER 3

ORGANISATIONAL DEVELOPMENT PERFORMANCE



CHAPTER 3: ORGANISATIONAL DEVELOPMENT PERFORMANCE

3.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

| KPA & INDICATORS | MUNICIPAL ACHIEVEMENT | MUNICIPAL ACHIEVEMENT | MUNICIPAL ACHIEVEMENT |
|---|-----------------------|-----------------------|-----------------------|
| | 2008/09 | 2009/10 | 2010/11 |
| The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | 9 | 0 | 1 |
| The percentage of a municipality's budget actually spent on implementing its workplace skills plan | 0.3 | 0.6 | 0.5 |

Table 47: National KPIs– Municipal Transformation and Organisational Development

3.2 PERFORMANCE HIGHLIGHTS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

| Highlight | Description |
|-----------------|---|
| EE Appointments | First black female as director technical services |
| | First coloured female as senior manager financial support |

Table 48: Performance Highlights– Municipal Transformation and Organisational Development

3.3 CHALLENGES – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

| Challenge | Actions to address |
|---|---|
| Employment of people with disability | Addressed in the new developed EE plan that certain % must be achieved at the specific time |
| Employment of more females in senior management posts | Addressed in the new developed EE plan that certain % must be achieved at the specific time |

Table 49: Challenges – Municipal Transformation and Organisational Development

3.4 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Oudtshoorn Municipality currently employs **597** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

3.4.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

A) EMPLOYMENT EQUITY TARGETS/ACTUAL

During the 2010/11 financial year, the Municipality appointed **39** employees in various departments. All of these appointments were based on both the service delivery needs and the Employment Equity Plan. The biggest challenge for the municipality remains skills scarcity, low levels of application for employment received from people with disabilities and contractual obligations.

The Employment Equity Report for 2010/11 was agreed to by the Employment Equity Consultative Forum on 14 December 2010 and approved by Municipal Manager to be submitted to the Department of Labour on 14 January 2011.

| African | | | Coloured | | | Indian | | | White | | |
|----------------|----------------|--------------------|----------------|----------------|--------------------|----------------|----------------|--------------------|----------------|----------------|--------------------|
| Target June'10 | Actual June'10 | Target reached (%) | Target June'10 | Actual June'10 | Target reached (%) | Target June'10 | Actual June'10 | Target reached (%) | Target June'10 | Actual June'10 | Target reached (%) |
| 83 | 5 | 6 | 129 | 30 | 23 | 2 | 0 | 0 | 48 | 4 | 8 |

Table 50: EE targets/Actuals by racial classification

| Male | | | Female | | | Disability | | |
|----------------|----------------|--------------------|----------------|----------------|--------------------|----------------|----------------|--------------------|
| Target June'10 | Actual June'10 | Target reached (%) | Target June'10 | Actual June'10 | Target reached (%) | Target June'10 | Actual June'10 | Target reached (%) |
| 49 | 28 | 57 | 213 | 11 | 5 | 8 | 0 | 0 |

Table 51: EE targets/actual by gender classification

B) EMPLOYMENT EQUITY VS. POPULATION

| Description | African | Coloured | Indian | White | Total |
|--|---------|----------|--------|--------|--------|
| Population numbers | 6 963 | 60 703 | 476 | 11 462 | 79 604 |
| % Population | 9 | 76 | 1 | 14 | 100 |
| Number for positions filled | 114 | 362 | 1 | 120 | 597 |
| % for Positions filled | 19 | 61 | 0 | 20 | 100 |
| Number for positions filled for the 2010/11 financial year | 5 | 30 | 0 | 4 | 39 |
| % for Positions filled for 2010/11 | 13 | 77 | 0 | 10 | 100 |

Table 52: EE population 2010/11

Note: The total population numbers is based on projection done by the Oudtshoorn municipality

C) OCCUPATIONAL CATEGORIES – RACE

Below is a table that indicate the number of employees by race within the specific occupational categories (including Councillors):

| Posts filled | | | | | | | | | |
|--|------|-----|---|----|--------|----|---|----|-------|
| Occupational categories | Male | | | | Female | | | | Total |
| | A | C | I | W | A | C | I | W | |
| Legislators, senior officials and managers | 6 | 17 | 0 | 18 | 5 | 6 | 0 | 3 | 55 |
| Professionals | 7 | 19 | 0 | 14 | 5 | 7 | 0 | 3 | 55 |
| Technicians and associate professionals | 8 | 35 | 0 | 15 | 0 | 2 | 0 | 0 | 60 |
| Clerks | 3 | 12 | 0 | 2 | 6 | 32 | 1 | 17 | 73 |
| Service and sales workers | 3 | 6 | 0 | 7 | 3 | 9 | 0 | 1 | 29 |
| Craft and related trades workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | 29 | 107 | 0 | 25 | 11 | 12 | 0 | 4 | 188 |

| Posts filled | | | | | | | | | |
|------------------------|-----------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
| Occupational | Male | | | | Female | | | | Total |
| categories | A | C | I | W | A | C | I | W | |
| Elementary occupations | 24 | 97 | 0 | 11 | 8 | 16 | 0 | 4 | 160 |
| Total permanent | 80 | 293 | 0 | 92 | 38 | 84 | 1 | 32 | 620 |
| Non- permanent | 13 | 44 | 0 | 1 | 2 | 25 | 0 | 0 | 85 |
| Grand total | 93 | 337 | 0 | 93 | 40 | 109 | 1 | 32 | 705 |

Table 53: Occupational Categories

D) OCCUPATIONAL LEVELS - RACE

The table below categories the number of employees by race within the occupational levels:

| Occupational | Male | | | | Female | | | | Total |
|---|-----------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
| Levels | A | C | I | W | A | C | I | W | |
| Top Management | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Senior management | 4 | 7 | 0 | 15 | 3 | 0 | 0 | 2 | 31 |
| Professionally qualified and experienced specialists and mid- management | 7 | 19 | 0 | 14 | 5 | 7 | 0 | 3 | 55 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 14 | 53 | 0 | 24 | 9 | 43 | 1 | 18 | 162 |
| Semi-skilled and discretionary decision making | 29 | 107 | 0 | 25 | 11 | 12 | 0 | 4 | 188 |
| Unskilled and defined decision making | 24 | 97 | 0 | 11 | 8 | 16 | 0 | 4 | 160 |
| Total permanent | 78 | 284 | 0 | 89 | 36 | 78 | 1 | 31 | 597 |
| Non- permanent employees | 13 | 44 | 0 | 1 | 2 | 25 | 0 | 0 | 85 |
| Grand total | 91 | 328 | 0 | 90 | 38 | 103 | 1 | 31 | 682 |

Table 54: Occupational Levels

E) DEPARTMENTS - RACE

The following table categorises the number of employees by race within the different departments:

| Department | Male | | | | Female | | | | Total |
|---------------------------------|-----------|------------|----------|-----------|-----------|------------|----------|-----------|------------|
| | A | C | I | W | A | C | I | W | |
| Office of the Municipal Manager | 3 | 10 | 0 | 5 | 0 | 10 | 0 | 1 | 29 |
| Corporate Services | 8 | 15 | 0 | 1 | 7 | 11 | 0 | 3 | 45 |
| Financial Services | 2 | 14 | 0 | 11 | 5 | 14 | 1 | 11 | 58 |
| Infrastructure Services | 34 | 191 | 0 | 48 | 6 | 25 | 0 | 1 | 305 |
| Community Services | 31 | 54 | 0 | 24 | 18 | 18 | 0 | 15 | 160 |
| Total permanent | 78 | 284 | 0 | 89 | 36 | 78 | 1 | 31 | 597 |
| Non- permanent | 13 | 44 | 0 | 1 | 2 | 25 | 0 | 0 | 85 |
| Grand total | 91 | 328 | 0 | 90 | 38 | 103 | 1 | 31 | 682 |

Table 55: Department - Race

3.4.2 VACANCY RATE

The approved organigram for the municipality had **700** posts for the 2010/11 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. **103** Posts were vacant at the end of 2010/11, resulting in a vacancy rate of **15%**.

Below is a table that indicates the vacancies within the municipality:

| PER POST LEVEL | | |
|---|------------|------------|
| Post level | Filled | Vacant |
| MM & MSA section 57 & 56 | 3 | 2 |
| Middle management | 24 | 2 |
| Professionals | 49 | 9 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 108 | 5 |
| Unskilled and defined decision making | 66 | 10 |
| General Workers | 347 | 71 |
| Total | 597 | 103 |
| PER FUNCTIONAL LEVEL | | |
| Functional area | Filled | Vacant |
| Office of the Municipal Manager | 29 | 1 |

| PER POST LEVEL | | |
|-------------------------|------------|------------|
| Post level | Filled | Vacant |
| Corporate Services | 45 | 4 |
| Financial Services | 58 | 5 |
| Infrastructure Services | 305 | 36 |
| Community Services | 160 | 57 |
| Total | 597 | 103 |

Table 56: Vacancy rate per post and functional level

The table below indicates the number of staff per level expressed as total positions and current vacancies express as full time staff equivalents:

| Salary Level | Number of critical vacancies | Number total posts as per organogram | Vacancy job title | Vacancies (as a proportion of total posts per category) |
|----------------------------|------------------------------|--------------------------------------|--|---|
| Municipal Manager | 0 | 1 | - | 0 |
| Chief Financial Officer | 0 | 1 | - | 0 |
| Other Section 57 Managers | 4 | 2 | Director: Corporate services Director: Technical services | 50% |
| Senior management | 0 | 0 | - | 0 |
| Highly skilled supervision | 2 | 26 | Manager: Contract and Legal Manager: Financial Support Management | 8% |
| Total | 4 | 31 | - | 13% |

Table 57: Vacancy rate per salary level

The following graph specifies the vacancy rate as a percentage per salary level:



Graph 6: Vacancy rate

3.4.3 TURNOVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate shows a **decrease** from **6.68%** in 2009/10 to **4.17%** in 2010/11.

The table below indicates the turn-over rate over the last three years:

| Financial year | Total number of appointments at the end of each Financial Year | New appointments | No Terminations during the year | Turn-over Rate |
|----------------|--|------------------|---------------------------------|----------------|
| 2009/10 | 674 | 125 | 45 | 6.68 |
| 2010/11 | 575 | 73 | 24 | 4.17 |

Table 58: Turnover Rate

3.5 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

3.5.1 INJURIES

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows an increase for the 2010/11 financial year from **147** employees injured against **97** employees in the 2009/10 financial year.

Incidents are investigated to determine whether there was any negligence involved to ensure that it is an actual injury on duty.

The table below indicates the total number of injuries within the different directorates:

| Directorates | 2008/09 | 2009/10 | 2010/11 |
|---------------------------------|----------------------------|----------------------------|------------|
| Office of the Municipal Manager | 0 | 0 | 3 |
| Corporate Services | 11 | 7 | 3 |
| Financial Services | 0 | 2 | 3 |
| Infrastructure Services | 75 | 88 | 68 |
| Community Services | Included in infrastructure | Included in infrastructure | 70 |
| Total | 86 | 97 | 147 |

Table 59: Injuries

Injuries in the Infrastructure Services are normally higher due to the nature of work and the constant handling of equipment and machinery.

3.5.2 SICK LEAVE

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees that have taken sick leave during the 2010/11 financial year shows a **decrease** when comparing it with the 2009/10 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

| Department | 2009/10 | 2010/11 |
|---------------------------------|--------------|-----------------|
| Office of the Municipal Manager | 297 | 80 |
| Corporate Services | 638 | 376.37 |
| Financial Services | 705 | 283.57 |
| Infrastructure Services | 2 609 | 2 000 |
| Community Services | 2 425 | 1 604 |
| Total | 6 674 | 4 343.94 |

Table 60: Sick Leave

3.5.3 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still needs to be developed:

| Title | Date | Approved by | Resolution number |
|---|-----------------|-------------------------------------|-------------------|
| Absenteeism and desertion policy | 20 April 2007 | Local Labour Forum | 77.3/04/07 |
| Agreement of conditions of service | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Allocation for Grants-in-aid policy | October 2007 | Council | 60.65/11/04 |
| Appointment policy | 12 March 2010 | Local Labour Forum | n/a |
| Asset management policy | 29 May 2008 | Council | 63.14/05/08 |
| Bad debt write-off policy | 29 May 2008 | Council | 63.14/05/08 |
| Cellular phone policy | 29 May 2008 | Council | 63.14/05/08 |
| Code of conduct | 8 April 2009 | Municipal Manager | n/a |
| Credit control & Debt collection policy | 29 May 2008 | Council | 63.14/05/08 |
| Declaration of interest by councillors | October 2007 | Corporate Portfolio | 8.6/10/07 |
| HIV and AIDS policy | 20 April 2007 | Local labour forum | 77.5/04/07 |
| Housing policy for officials | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Indigent policy | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Information Technology Policies | | | |
| Information Security Policy | 21 October 2009 | Executive Mayoral Committee (Mayco) | 61.53/10/09 |
| Acknowledgement of | | | 61.54/10/09 |

| Title | Date | Approved by | Resolution number |
|---|-----------------|---------------------|-------------------|
| Information Security Policy | | | 61.55/10/09 |
| Password Policy | | | 61.56/10/09 |
| Help Desk Policy | | | 61.57/10/09 |
| Back-up Policy | | | 61.58/10/09 |
| Electronic Mail and Internet content policy | | | |
| Investment and Cash Management Policy | 29 May 2008 | Council | 63.14/05/08 |
| Language policy | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Non-attendance of conferences | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Organisational rights agreement | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Overtime policy | 20 April 2007 | Local Labour Forum | 77.6/04/07 |
| Permits for public driving operators policy | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Policy on private work | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Policy on the erection of placards | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Property rates policy | March 2009 | Council | 63.14/03/09 |
| Sexual harassment policy | 20 April 2007 | Local Labour Forum | 77.4/04/07 |
| Smoking policy | October 2007 | Corporate Portfolio | 8.6/10/07 |
| Study bursary scheme | October 2007 | Council | 60.36/01/10 |
| Supply Chain Management Policy | 25 October 2007 | Council | 65.5/10/07 |
| Temporary workers | August 2007 | Local Labour Forum | 77.4/08/07 |
| Training and development | 29 May 2008 | Council | 63.14/05/08 |
| Travelling and subsistence policy | 29 May 2008 | Council | 63.14/05/08 |

Table 61: HR policies and plans

3.6 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

3.6.1 SKILLS MATRIX

The table below indicates the number of employees that received training in the year under review:

| Management level | Gender | Number of employees identified for training at start of the year | Number of Employees that received training |
|--|---------------|--|--|
| MM and S57 | Female | 0 | 0 |
| | Male | 1 | 0 |
| Legislators, senior officials and managers | Female | 19 | 2 |
| | Male | 26 | 7 |
| Associate professionals and Technicians | Female | 2 | 0 |
| | Male | 18 | 0 |
| Professionals | Female | 15 | 0 |
| | Male | 40 | 4 |
| Clerks | Female | 56 | 2 |
| | Male | 17 | 0 |
| Service and sales workers | Female | 13 | 0 |
| | Male | 16 | 0 |
| Craft and related trade workers | Female | 0 | 0 |
| | Male | 0 | 0 |
| Plant and machine operators and assemblers | Female | 17 | 0 |
| | Male | 13 | 0 |
| Elementary occupations | Female | 28 | 0 |
| | Male | 132 | 0 |
| Sub total | Female | 150 | 4 |
| | Male | 263 | 11 |
| Total | | 413 | 15 |

Table 62: Skills Matrix

3.6.2 SKILLS DEVELOPMENT – TRAINING PROVIDED

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

| Occupational categories | Gender | Number of employees as at the beginning of the financial year | Training provided within the reporting period | | | | | | |
|--|--------|---|---|--------|---|--------|--------|--------|------------|
| | | | Learnerships | | Skills programmes & other short courses | | Total | | |
| | | | Actual | Target | Actual | Target | Actual | Target | % Variance |
| MM and S57 | Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Male | 3 | 0 | 3 | 0 | 0 | 0 | 3 | 0 |
| Legislators, senior officials and managers | Female | 14 | 1 | 1 | 1 | 14 | 2 | 15 | (87) |
| | Male | 38 | 2 | 2 | 5 | 38 | 7 | 40 | (83) |
| Professionals | Female | 14 | 0 | 14 | 0 | 14 | 0 | 28 | (100) |
| | Male | 41 | 4 | 18 | 0 | 41 | 4 | 59 | (93) |
| Technicians and associate professionals | Female | 2 | 0 | 0 | 0 | 2 | 0 | 2 | (100) |
| | Male | 58 | 0 | 0 | 0 | 18 | 0 | 18 | (100) |
| Clerks | Female | 56 | 2 | 56 | 0 | 14 | 2 | 70 | (97) |
| | Male | 17 | 0 | 17 | 0 | 6 | 0 | 23 | (100) |
| Service and sales workers | Female | 9 | 0 | 9 | 0 | 0 | 0 | 9 | (100) |
| | Male | 13 | 0 | 13 | 0 | 0 | 0 | 13 | (100) |
| Craft and related trade workers | Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (100) |
| | Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (100) |
| Plant and machine operators and assemblers | Female | 26 | 0 | 0 | 0 | 12 | 0 | 12 | (100) |
| | Male | 149 | 0 | 0 | 0 | 18 | 0 | 18 | (100) |
| Elementary occupations | Female | 22 | 0 | 22 | 0 | 22 | 0 | 44 | (100) |
| | Male | 132 | 0 | 58 | 0 | 68 | 0 | 126 | (100) |
| Sub total | Female | 143 | 3 | 102 | 1 | 78 | 4 | 180 | (98) |
| | Male | 451 | 6 | 111 | 5 | 189 | 11 | 300 | (96) |
| Total | | 594 | 9 | 213 | 6 | 267 | 15 | 480 | (97) |

Table 63: Skills Development

3.6.3 SKILLS DEVELOPMENT - BUDGET ALLOCATION

The table below indicates that a total amount of **R 1 369 090** were allocated to the workplace skills plan and that **143%** of the total amount was spent in the 2010/11 financial year:

| Financial year | Total personnel budget | Total Allocated | Total Spend | % Spent |
|----------------|------------------------|-----------------|-------------|---------|
| 2008/09 | 73 017 991 | 452 952 | 537 847 | 118.74 |
| 2009/10 | 108 697 300 | 1 964 090 | 1 256 486 | 63.97 |
| 2010/11 | 108 697 266 | 1 369 090 | 1 964 090 | 143.46 |

Table 64: Budget allocated and spent for skills development

3.7 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

3.7.1 PERSONNEL EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years. The total personnel expenditure for 2010/11 was well within the national norm of between 35 to 40%. The increase in the salary percentage compared to the previous financial year is due to more appointments being made during 2010/11 in an effort to fill the vacancies.

| Financial year | Total Expenditure salary and allowances | Total Operating Expenditure | Percentage |
|----------------|---|-----------------------------|------------|
| | R'000 | R'000 | (%) |
| 2008/09 | 74 716 | 254 938 | 29.3 |
| 2009/10 | 99 988 | 271 836 | 36.8 |
| 2010/11 | 109 889 765 | 331 239 094 | 33.2 |

Table 65: Personnel Expenditure

**Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.*

Below is a summary of Councillor and staff benefits for the year under review:

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| Financial year | 2008/09 | 2009/10 | 2010/11 | | |
|---|------------------|------------------|------------------------|--------------------------|---------------------|
| Description | Actual | Actual | Original Budget | Adjustment Budget | Final Budget |
| <u>Councillors (Political Office Bearers plus Other)</u> | | | | | |
| Pension Contributions | 4 747 422 | 5 730 796 | 6 318 393 | 6 095 721 | 6 095 721 |
| Pension Fund Contributions | 556 632 | 0 | 0 | 0 | 0 |
| Sub Total | 5 304 054 | 5 730 796 | 6 318 393 | 6 095 721 | 6 095 721 |
| % increase | 0.00 | 8.05 | 10.25 | -3.52 | 0.00 |
| <u>Senior Managers of the Municipality</u> | | | | | |
| Annual remuneration | 1 289 756 | 1 775 387 | 3 250 540 | 3 250 540 | 3 250 540 |
| Travelling allowance | 52 809 | 63 211 | 0 | 0 | 0 |
| Motor vehicle allowance | 318 693 | 388 138 | 284 522 | 284 522 | 284 522 |
| Other Allowances | 436 827 | 370 628 | 0 | 0 | 0 |
| Contributions to UIF, Medical and Pension | 40 562 | 280 621 | 921 938 | 921 938 | 921 938 |
| Sub Total | 2 138 647 | 2 877 985 | 4 457 000 | 4 457 000 | 4 457 000 |
| % increase | 0.00 | 34.57 | 54.87 | 0.00 | 0.00 |
| <u>Other Municipal Staff</u> | | | | | |
| Basic Salaries and Wages | 50249458 | 60 402 161 | 67 234 536 | 72 695 830 | 72 695 830 |
| Contributions to UIF, Medical and Pension | 12030723 | 14 966 022 | 16 044 000 | 17 279 000 | 17 279 000 |
| Severance packages | 0 | 0 | 0 | 0 | 0 |
| Temporary staff | 1153207 | 352 507 | 2 533 000 | 2 490 348 | 2 490 348 |
| Skills development levy | 537847 | 677 558 | 703 400 | 780 724 | 780 724 |
| Cell phone allowance | 0 | 22 828 | 192 000 | 207 000 | 207 000 |
| Travelling allowance | 1423767 | 2 336 407 | 3 496 000 | 3 765 000 | 3 765 000 |
| Housing allowance | 1382962 | 932 043 | 1 382 000 | 1 489 000 | 1 489 000 |
| Standby allowance | 831511 | 926 806 | 875 335 | 860 970 | 860 970 |
| Acting allowance | 61203 | 968 034 | 1 144 037 | 1 558 029 | 1 558 029 |
| Leave payment | 819274 | 1 190 750 | 5 496 605 | 4 583 319 | 4 583 319 |
| Overtime | 3116752 | 3 761 608 | 2 840 400 | 3 658 356 | 3 658 356 |
| Performance Bonus | 0 | 0 | 0 | 0 | 0 |
| Bargaining council | 22689 | 26 318 | 22 324 | 28 946 | 28 946 |
| Workman's compensation | 976182 | 0 | 541 390 | 541 390 | 541 390 |
| Contributions to provisions | 5602098 | 4 803 223 | 1 914 973 | 2 437 367 | 2 437 367 |
| Other benefits or allowances | 403710 | 12 688 | 0 | 0 | 0 |

| Financial year | 2008/09 | 2009/10 | 2010/11 | | |
|--------------------|------------|------------|-----------------|-------------------|--------------|
| Description | Actual | Actual | Original Budget | Adjustment Budget | Final Budget |
| Sub Total | 78 611 383 | 91 378 953 | 104 420 000 | 112 375 279 | 112 375 279 |
| % increase | 0.00 | 16.24 | 14.27 | 7.62 | 0.00 |
| Total Municipality | 86 054 084 | 99 987 734 | 115 195 393 | 122 928 000 | 122 928 000 |
| % increase | 0.00 | 16.19 | 15.21 | 6.71 | 0.00 |

Table 66: Personnel Expenditure

**Note: Figures in the previous years were amended and will therefore not match the figures in the previous year annual report.*

CHAPTER 4

STRATEGIC PERFORMANCE



CHAPTER 4: STRATEGIC PERFORMANCE

This chapter will provide information on the strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This chapter speaks to the strategic performance highlights in terms of the Municipality's IDP and the performance on basic service delivery. Additionally it also reflects in particular on the historical infra-structure, maintenance and service delivery backlogs and how these are addressed in part through the MIG projects. Moreover it also speaks to the spending priorities for the following year. Finally, it addresses the communication and public participation processes of the Municipality to give a holistic view of how the Municipality communicates performance to its stakeholders.

The Strategy map in figure 2 specifies the strategic link of the focus areas of the Oudtshoorn Municipality aligned with the National Key Performance Areas. The National Key Performance Areas are aligned with the Strategic Objectives that were identified in the 2010/11 reviewed IDP. The strategic objectives are linked to the outcomes for 2010/11. These alignments are directly linked to the Oudtshoorn municipality's vision and mission.

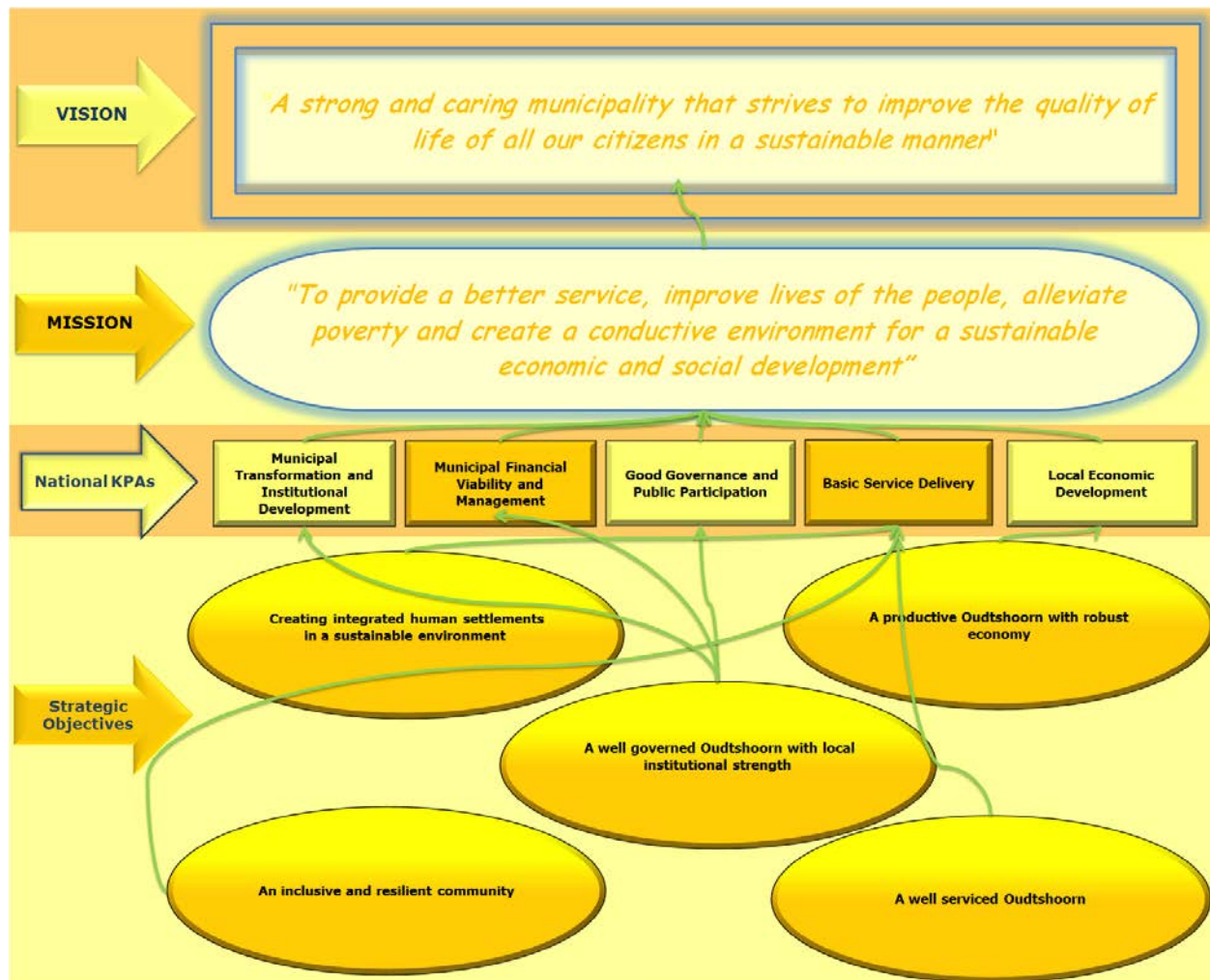


Figure 2: Strategy Map

The Municipal Systems Act, 2000 (Act 32 of 2000) and the Local Government: Municipal Planning and the Performance Management Regulations 2001 require municipalities to adopt a performance management system. Once the IDP and budget have been prepared and approved, the Municipality prepared their Service Delivery and Budget Implementation Plan (SDBIP) in accordance with the MFMA and MFMA Circular 13. The SDBIP indicates monthly performance targets, financial performance targets and assigns responsibility to execute the respective performance targets. The Municipality assessed its performance on a monthly basis and reported progress on performance against targets set to Council quarterly and ultimately presents the annual performance results in this annual report.

4.1 NATIONAL KEY PERFORMANCE INDICATORS – BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

| KPA & INDICATORS | MUNICIPAL ACHIEVEMENT | MUNICIPAL ACHIEVEMENT | MUNICIPAL ACHIEVEMENT |
|--|-----------------------|-----------------------|-----------------------|
| | 2008/09 | 2009/10 | 2010/11 |
| Basic Service Delivery | | | |
| The number of households earning less than R 1 100 per month with access to free basic services | 100 | 100 | 100 |
| The percentage of households with access to basic level of water | 100 | 100 | 100 |
| The percentage of households with access to basic level of sanitation | 100 | 100 | 100 |
| The percentage of households with access to basic level of electricity | 100 | 100 | 89 |
| The percentage of households with access to basic level of solid waste removal | 100 | 100 | 100 |
| Local economic development | | | |
| The number of jobs created through municipality's local economic development initiatives including capital projects | 72 748 man-hours | 3 148 man-hours | 6 819 Man hours |

Table 67: National KPIs – Basic Service Delivery and Local Economic Development

Note: The percentages in the table above shows percentages of erven within the urban edge areas.

4.2 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The top layer (strategic) SDBIP is the Municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements). The Municipality compiled a top layer SDBIP for the first time in the 2010/11 financial year.

In the paragraphs below the performance achieved, is illustrated against the top layer SDBIP according to the 5 National Key Performance Areas linked to the Municipal Key Performance Areas and IDP (strategic) Objectives.

The following figure illustrates the method in which the strategic service delivery budget implementation plan is measured:

| Category | Color | Explanation |
|--------------------------|-------|---|
| KPI's Not Yet Measured | | KPIs with no targets or actuals in the selected period. |
| KPI's Not Met | | 0% \geq Actual/Target < 75% |
| KPI's Almost Met | | 75% \geq Actual/Target < 100% |
| KPI's Met | | Actual/Target = 100% |
| KPI's Well Met | | 100% > Actual/Target < 150% |
| KPI's Extremely Well Met | | Actual/Target \geq 150% |

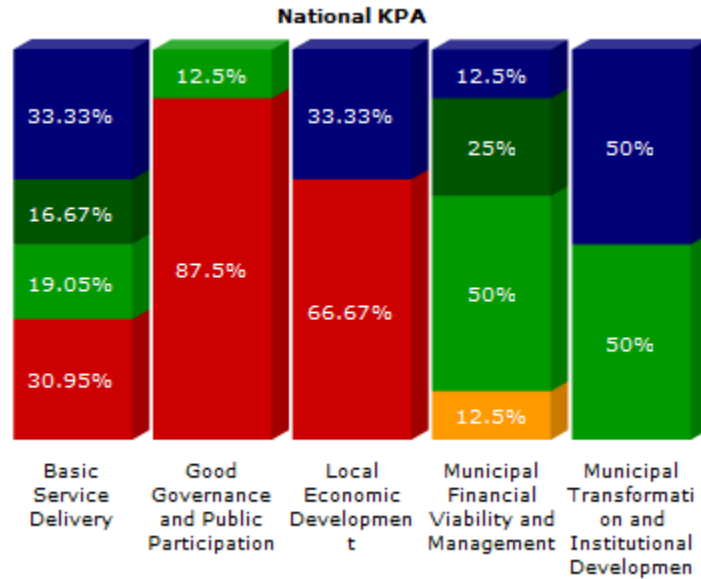
Figure 3: SDBIP Measurement Categories

The overall performance results achieved by the Municipality in terms of the Top Layer SDBIP are indicated in the table and graph below:

| Directorates | Total KPIs | KPIs Extremely Well Met | KPIs Well Met | KPIs Met | KPIs almost Met | KPIs not Met |
|--|------------|-------------------------|---------------|-----------|-----------------|--------------|
| Basic Service Delivery | 42 | 14 | 7 | 8 | 0 | 13 |
| Good Governance and Public Participation | 8 | 0 | 0 | 1 | 0 | 7 |
| Local Economic Development | 3 | 1 | 0 | 0 | 0 | 2 |
| Municipal Financial Viability and Management | 8 | 1 | 2 | 4 | 1 | 0 |
| Municipal Transformation and Institutional Development | 2 | 1 | 0 | 1 | 0 | 0 |
| Oudtshoorn Municipality | 63 | 17 | 9 | 14 | 1 | 22 |

Table 68: Top Layer SDBIP Performance per National KPA

The graph below displays the performance per National Key Performance Areas:



Graph 7: Performance per National Key Performance Area

Below is the top level SDBIP according to the 5 National Key Performance Areas linked to the Municipal Key Performance Areas and IDP strategic objectives.

4.2.1 TOP LEVEL SDBIP - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The National Key Performance Area Good Governance and Public Participation is linked to the strategic objective:

"A well governed Oudtshoorn with local institutional strength"

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|--|--|-------|--|--------|-----|-----------------------------|
| | | | | Target | Actual | R | |
| TL17 | Implementation of the Employment Equity Act | The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | All | 0 | 4 | B | n/a |
| TL40 | Institutional Performance management system in place and | Implemented up to level 6 | All | 0 | 0 | N/A | n/a |

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| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|--|---|-------|--|--------|-----|-----------------------------|
| | | | | Target | Actual | R | |
| | implemented up to level (No) | | | | | | |
| TL27 | The adjustment budget is approved by Council by the legislative deadline | Approval of Adjustments Budget before the end of February | All | 100% | 0% | R | |
| TL26 | The main budget is approved by Council by the legislative deadline | Approval of Main Budget before the end of May | All | 0% | 100% | B | n/a |
| TL28 | The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved | Top Layer SDBIP approved within 28 days after the Main Budget has been approved | All | 0% | 0% | N/A | n/a |
| TL24 | Effective functioning of council measured in terms of the number of council meetings per annum | No of council meetings per annum | All | 3 | 1 | R | |
| TL25 | Effective functioning of the committee system measured by the number of committee meetings per committee per quarter | No of sec 79 committee meetings per committee per quarter | All | 3 | 0 | R | |
| TL36 | Effective functioning of ward committees to ensure consistent and regular communication with residents | No of ward committee meetings per ward per annum | All | 3 | 0 | R | |
| TL31 | IDP reviewed and approved annually by the end of May | IDP approved by the end of May | All | 0% | 0% | N/A | n/a |
| TL23 | Integrated development planning measured by the alignment of the municipal spending with IDP | The percentage of a municipality's capital budget spent on capital projects identified in the IDP | All | 0% | 0% | N/A | n/a |
| TL41 | Annual report and oversight report of council submitted before the end of January | Approved annual report | All | 100% | 0% | R | |

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|---|--|-------|--|--------|-----|-----------------------------|
| | | | | Target | Actual | R | |
| TL39 | No of Section 57 performance agreements signed by the end of July | No of performance agreements signed | All | 5 | 0 | R | |
| TL35 | Effective communication with communities | Approved strategy by May 2012 | All | 0% | 0% | N/A | n/a |
| TL29 | The municipality comply with all the relevant legislation | 0 findings in the audit report on non-compliance with laws and regulations | All | 0 | 0 | G | n/a |
| TL38 | To determine citizen satisfaction | Citizen satisfaction survey conducted by June 2012 | All | 0% | 0% | N/A | n/a |
| TL42 | Functional audit committee measured by the number of meetings per annum | No of meetings held | All | 3 | 0 | R | |
| TL37 | Initiatives in the anti-corruption policy is successfully implemented | Reviewed anti-corruption strategy | All | 0% | 0% | N/A | n/a |
| TL43 | Risk based audit plan approved by June 2012 | Plan approved | All | 0% | 0% | N/A | n/a |
| TL34 | Strengthen the role of communities by facilitating ward based development plans | No of ward based development plans completed | All | 0 | 0 | N/A | n/a |
| TL33 | The municipality listens and talks back to its people by ensuring that the IDP is endorsed by all wards | No of ward committees endorsing the IDP | All | 0 | 0 | N/A | n/a |
| TL30 | Spatial development plan aligned with PSDF and PGDS | Revised SDF by June 2012 | All | 20% | 0% | R | |
| TL32 | The IDP is comprehensive and complies with the requirements of the Systems Act | No of required sectoral plans included in the IDP | All | 0 | 0 | N/A | n/a |

Table 69: Top Layer SDBIP – Good Governance and Public Participation

4.2.2 TOP LAYER SDBIP - MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

The National Key Performance Area Municipal Transformation and Institutional Development is linked to the strategic objective: *"To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team"*

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|---|---|-------|--|--------|---|---|
| | | | | Target | Actual | R | |
| TL18 | Targeted skills development measured by the implementation of the workplace skills plan | % of the budget spent on implementation of the WSP | All | 0% | 150% | B | n/a |
| TL45 | Effective labour relations by facilitating regular LLF meetings per annum | No of meetings of the LLF per annum | All | 4 | 2 | R | |
| TL46 | Revise identified HR policies by the end of June to ensure compliant and up to date HR policies | No of policies revised | All | 1 | 0 | R | In process to revise policies through LLF |
| TL44 | Creation of an effective institution with sustainable capacity | % Vacancy level as % of approved organogram | All | 15% | 10% | B | n/a |
| TL47 | Implementation of skills development plan with targeted skills development | No of personnel actually trained/ No of personnel identified for training (%) | All | 0% | 12% | B | n/a |

Table 70: Top Layer SDBIP – Municipal Transformation and Institutional Development

4.2.3 TOP LAYER SDBIP - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The National Key Performance Area Municipal Financial Viability and Management is linked to the strategic objective: *"A well governed Oudtshoorn with local institutional strength"*

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|--|--|-------|--|--------|-----|---|
| | | | | Target | Actual | R | |
| TL22 | Financial viability measured in terms of the available cash to cover fixed operating expenditure | Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure | All | 0% | 100% | B | Report was submitted on the 8th of January 2012 |
| TL20 | Financial viability measured in terms of the municipality's ability to meet its service debt obligations | Debt coverage ((Total operating revenue- operating grants received)/debt service payments due within the year) | All | 0% | 100% | B | Report was submitted on the 8th of January 2012 |
| TL21 | Financial viability measured in terms of the outstanding service debtors | Service debtors to revenue – (Total outstanding service debtors/ revenue received for services) | All | 0% | 100% | B | Report was submitted on the 8th of January 2012 |
| TL53 | Updated indigent register for the provision of free basic services | Updated indigent register monthly | All | 100% | 100% | G | Done monthly |
| TL55 | Approved financial statements submitted by 31 August | Approved financial statements submitted | All | 0% | 0% | N/A | n/a |
| TL51 | Compliance with GRAP 16, 17 & 102 to ensure effective asset management | 0 findings in the audit report on non-compliance | All | 0 | 0 | G | n/a |
| TL58 | Compliance with the SCM Act measured by the limitation of successful appeals against the municipality | 0 successful appeals | All | 0 | 0 | G | n/a |
| TL59 | Effective and efficient property valuations | % of successful disputes | All | 0% | 0% | G | No appeals were received |
| TL52 | Improved revenue collection | % Debt recovery rate | All | 90% | 85% | O | Council resolved not to hand over accounts to attorneys |
| TL56 | Improvement in capital conditional grant spending measured by the % | % of the grant spent | All | 60% | 60.56% | G2 | R23,715,356 of the R36,727,324 was spent |

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|---|----------------------------|-------|--|--------|----|--|
| | | | | Target | Actual | R | |
| | spent | | | | | | |
| TL57 | Improvement in operational conditional grant spending measured by the % spent | % of the grant spent | All | 60% | 91% | B | Spending on FMG |
| TL54 | No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit | % of Root causes addressed | All | 30% | 36% | G2 | 36 % of the root causes were addressed |

Table 71: Top Layer SDBIP – Municipal Financial Viability and Management

4.2.4 TOP LAYER SDBIP - LOCAL ECONOMIC DEVELOPMENT

The National Key Performance Area Local Economic Development is linked to the strategic objective: “A productive Oudtshoorn with robust economy

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for Sep 2011 to Mar 2012 | | | Departmental SDBIP Comments |
|------|---|--------------------------------------|-------|--|--------|-----|-----------------------------|
| | | | | Target | Actual | R | |
| TL49 | Implement initiatives in terms of the approved strategy | No of workshop for SMME development | All | 3 | 0 | R | |
| TL48 | Local Economic Development is driven by a strategy | LED strategy reviewed by June 2012 | All | 0% | 0% | N/A | n/a |
| TL50 | Value of contracts assigned to SMME's to enhance economic development | Value of contracts assigned | All | R 600,000 | R 0 | R | |
| TL19 | The number of jobs created through municipality's local economic development initiatives including capital projects | Number of jobs opportunities created | All | 0 | 2,319 | B | n/a |

Table 72: Top Layer SDBIP – Local Economic Development

4.2.5 TOP LAYER SDBIP - BASIC SERVICE DELIVERY

The National Key Performance Area Basic Service Delivery is linked to the strategic objectives: *"A well serviced Oudtshoorn"*.

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for the year | | | Departmental SDBIP Comments |
|------|--|--|-------|----------------------------------|----------|----|-----------------------------|
| | | | | Target | Actual | R | |
| TL13 | Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas | No of formal HH for which refuse is removed at least once a week | All | 13,080 | 17,040 | G2 | n/a |
| TL14 | Provision of refuse removal, refuse dumps and solid waste disposal to all informal areas | No of informal HH for which refuse is removed at least once a week | All | 2,000 | 3,333.33 | B | n/a |
| TL62 | Graveyards is maintained measured by the % of the maintenance budget spent | % of budget spent | All | 60% | 30% | R | n/a |
| TL60 | Recreational areas is maintained measured by the % of the maintenance budget spent | % of budget spent | All | 60% | 30% | R | n/a |
| TL63 | Development of an Integrated Human Settlement Strategy | Strategy completed by June 2012 | All | 0% | 63% | B | n/a |
| TL64 | Provide low cost housing in Oudtshoorn and De Rust | No of houses built | All | 0 | 120 | B | n/a |
| TL66 | Develop and implement a comprehensive law enforcement strategy to decrease high risk violations | Strategy completed by June 2012 | All | 0% | 150% | B | n/a |
| TL67 | Develop or implement a Fire Management Plan by the end of June to ensure effective fire brigade services | Plan developed by December 2011 | All | 100% | 260% | B | n/a |
| TL65 | Review the Disaster | Plan reviewed by | All | 100% | 260% | B | n/a |

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| Ref | KPI | Unit of Measurement | Wards | Overall Performance for the year | | | Departmental SDBIP Comments |
|------|---|---|-------|----------------------------------|---------|----|---|
| | | | | Target | Actual | R | |
| | Management Plan | December 2011 | | | | | |
| TL61 | Municipal parks and recreational areas is provided to all HH measured by the no of HH with access to recreational areas | No of wards with access or without access to recreational areas | All | 13 | 10.67 | O | n/a |
| TL68 | Provision of sport facilities | No of wards with access to sport facilities | All | 13 | 18.33 | G2 | n/a |
| TL78 | Effective waste management capital spending measured by the % of budget spent | % spent of approved waste management capital projects | All | 50% | 45% | O | n/a |
| TL79 | Maintenance of refuse removal assets | % of maintenance budget of refuse removal spent | All | 50% | 44.33% | O | n/a |
| TL11 | Provision of free basic electricity in terms of the equitable share requirements | No of HH receiving free basic electricity | All | 5,200 | 5,200 | G | Approved in the 2011/2012 budget on 26 April 2011 |
| TL12 | Provision of free basic electricity in terms of the equitable share requirements | Quantum (kwh pm) of free basic electricity per household | All | 50 | 63.33 | G2 | Approved in the 2011/2012 budget on 26 April 2011 |
| TL15 | Provision of free basic refuse removal in terms of the equitable share requirements | No of HH receiving free basic refuse removal | All | 5,065 | 5,065 | G | Approved in the 2011/2012 budget on 26 April 2011 |
| TL16 | Provision of free basic refuse removal in terms of the equitable share requirements | Quantum (R pm) of free basic refuse removal per month per household | All | R 60.50 | R 68.97 | G2 | Approved in the 2011/2012 budget on 26 April 2011 |
| TL7 | Provision of free basic sanitation in terms of the equitable share requirements | No of HH receiving free basic sanitation | All | 5,065 | 5,065 | G | Approved in the 2011/2012 budget on 26 April 2011 |
| TL8 | Provision of free basic sanitation in terms of the equitable share requirements | Quantum (R pm) of free basic sanitation provided per HH | All | R 60.50 | R 68.97 | G2 | Approved in the 2011/2012 budget on 26 April 2011 |
| TL3 | Provision of free basic water in terms of the equitable share requirements | No of HH receiving free basic water | All | 13,172 | 13,172 | G | Approved in the 2011/2012 budget on 26 April 2011 |

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| Ref | KPI | Unit of Measurement | Wards | Overall Performance for the year | | | Departmental SDBIP Comments |
|------|--|--|-------|----------------------------------|-----------|-----|---|
| | | | | Target | Actual | R | |
| TL4 | Quantum of free basic water per household in terms of the equitable share requirements | Quantum (kl pm) of free basic water provided per household | All | 6 | 6 | G | Approved in the 2011/2012 budget on 26 April 2011 |
| TL69 | Effective functioning of sport forums | No of meetings of the Greater Oudtshoorn Sport Council | All | 3 | 0 | R | |
| TL9 | Provision of electricity that are connected to the national grid to all formal areas | No of HH in formal areas that meet agreed service standards | All | 18,155 | 24,233.33 | G2 | n/a |
| TL10 | Provision of electricity that are connected to the national grid to all informal areas | No of informal HH that will be provided with electricity services | All | 0 | 0 | N/A | n/a |
| TL5 | Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH | No of formal HH that have at least VIP on site | All | 13,178 | 17,580.33 | G2 | n/a |
| TL6 | Provision of sanitation systems limited to domestic waste water and sewerage disposal to informal HH | No of informal HH that will be provided with sanitation services | All | 0 | 70 | B | n/a |
| TL1 | Provision of cleaned piped water to all formal HH within 200m from the household | No of formal HH that meet agreed service standards for piped water | All | 15,423 | 24,029 | B | n/a |
| TL2 | Provision of cleaned piped water to all informal HH within 200m from the household | No of informal HH that will be provided with water connections | All | 0 | 170 | B | n/a |
| TL94 | Effective electricity capital spending measured by the % of budget spent | % spent of approved electricity capital projects | All | 60% | 100% | B | n/a |
| TL93 | Effective management of electricity provisioning systems | % of electricity unaccounted for | All | 7% | 20.90% | R | |
| TL96 | Electricity assets is maintained in terms | % of maintenance budget of electricity | All | 75% | 100% | G2 | n/a |

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for the year | | | Departmental SDBIP Comments |
|------|--|--|-------|----------------------------------|--------|-----|---|
| | | | | Target | Actual | R | |
| | of the maintenance budget spent | spent | | | | | |
| TL92 | Electricity connections to provide electricity reticulation to new developments | No of new electricity connections | All | 0 | 79 | B | n/a |
| TL95 | Implement the maintenance schedules within the available budget by the end of June 2012 | Number of schedules | All | 0 | 12 | B | n/a |
| TL91 | Improvement of electricity distribution capacity | Number of projects completed for the year | All | 0 | 200 | B | n/a |
| TL82 | Effective municipal roads capital spending measured by the % of budget spent | % spent of approved roads capital projects | All | 0% | 55% | B | n/a |
| TL85 | Maintenance of municipal roads | % of maintenance budget of municipal roads spent | All | 75% | 85% | G2 | n/a |
| TL84 | Municipal roads is maintained measured by the kms/square meters of roads patched and resealed according to approved maintenance plan | Kms of roads patched and resealed | All | 0 | 117 | B | n/a |
| TL81 | Provision of municipal roads measured by the km of new road for previously un-serviced areas | No of kilometres | All | 0 | 16 | B | n/a |
| TL83 | Revision of the maintenance plan maintained on the Pavement Management System for municipal roads by the end of June 2012 | % revised the end of June 2012 | All | 0% | 0% | N/A | Funds to be prioritized and made available since PMS has to be updated yearly |
| TL80 | Implement the integrated transport plan in terms of the mobility strategy by the end of June 2012 | % of available budget spent | All | 80% | 80% | G | n/a |
| TL72 | Effective stormwater | % spent of approved | All | 70% | 0% | R | No funding in which to |

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for the year | | | Departmental SDBIP Comments |
|------|--|--|-------|----------------------------------|--------|-----|---|
| | | | | Target | Actual | R | |
| | capital spending measured by the % of budget spent | stormwater capital projects | | | | | establish new infrastructure |
| TL73 | Implementation of a Stormwater Master Plan by the end of June | Number of projects completed for the year | All | 0 | 600 | B | n/a |
| TL75 | Improvement of sanitation systems limited to domestic waste-water and sewerage disposal | Number of projects completed for the year | All | 0 | 129 | B | n/a |
| TL70 | Provision of stormwater management systems in built up areas to all formal HH | % of HH with | All | 100% | 0% | R | No funding in which to establish new infrastructure |
| TL71 | Provision of stormwater management systems in built up areas to all informal HH | % of HH with | All | 0% | 0% | N/A | n/a |
| TL77 | Sanitation assets is maintained in terms of the maintenance budget spent | % of maintenance budget of sanitation spent | All | 75% | 75% | G | n/a |
| TL74 | Stormwater assets is maintained in terms of the maintenance budget spent | % of maintenance budget of stormwater spent | All | 75% | 80% | G2 | n/a |
| TL76 | Quality of waste water discharge measured by the % water quality level in terms of the general standards | % water quality level of waste water discharge | All | 60% | 91% | B | n/a |
| TL87 | Effective management of water provisioning systems to limit unaccounted water | % of water unaccounted for | All | 20% | 41.67% | R | |
| TL89 | Effective water capital spending measured by the % of budget spent | % spent of approved water capital projects | All | 75% | 100% | G2 | n/a |
| TL86 | New water connections to | No of new water connections per | All | 0 | 16 | B | n/a |

| Ref | KPI | Unit of Measurement | Wards | Overall Performance for the year | | | Departmental SDBIP Comments |
|------|---|--|-------|----------------------------------|---------|----|-----------------------------|
| | | | | Target | Actual | R | |
| | provide for potable water supply systems | annum | | | | | |
| TL90 | Water assets is maintained in terms of the maintenance budget spent | % of maintenance budget of water spent | All | 75% | 75% | G | n/a |
| TL88 | Excellent water quality measured by the quality of water as per SANS 241 criteria | % water quality level | All | 96% | 129.33% | G2 | n/a |

Table 73: Top Layer SDBIP – Basic Service Delivery

4.3 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2011/12

The main development and service delivery priorities for 2011/12 forms part of the Municipality's top layer SDBIP for 2011/12 and are indicated in the table below:

4.3.1 A PRODUCTIVE OUTDSHOORN WITH ROBUST ECONOMY

| KPI | Unit of Measurement | Wards | Annual Target |
|---|--------------------------------------|-------|---------------|
| Implement initiatives in terms of the approved strategy | No of workshop for SMME development | All | 4 |
| Local Economic Development is driven by a strategy | LED strategy reviewed by June 2012 | All | 100% |
| Value of contracts assigned to SMME's to enhance economic development | Value of contracts assigned | All | R 500,000 |
| The number of jobs created through municipality's local economic development initiatives including capital projects | Number of jobs opportunities created | All | 850 |

Table 74: Services Delivery Priorities for 2011/12

4.3.2 A WELL GOVERNED OUTDSHOORN WITH LOCAL INSTITUTIONAL STRENGTH

| KPI | Unit of Measurement | Wards | Annual Target |
|--|--|-------|---------------|
| Targeted skills development measured by the implementation of the workplace skills plan | % of the budget spent on implementation of the WSP | All | 1% |
| Implementation of the Employment Equity Act | The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | All | 2 |
| Institutional Performance management system in place and implemented up to level (No) | Implemented up to level 6 | All | 6 |
| Effective labour relations by facilitating regular LLF meetings per annum | No of meetings of the LLF per annum | All | 6 |
| Revise identified HR policies by the end of June to ensure compliant and up to date HR policies | No of policies revised | All | 2 |
| Creation of an effective institution with sustainable capacity | % Vacancy level as % of approved organogram | All | 15% |
| Implementation of skills development plan with targeted skills development | No of personnel actually trained/ No of personnel identified for training (%) | All | 50% |
| The adjustment budget is approved by Council by the legislative deadline | Approval of Adjustments Budget before the end of February | All | 100% |
| The main budget is approved by Council by the legislative deadline | Approval of Main Budget before the end of May | All | 100% |
| The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved | Top Layer SDBIP approved within 28 days after the Main Budget has been approved | All | 100% |
| Effective functioning of council measured in terms of the number of council meetings per annum | No of council meetings per annum | All | 4 |
| Effective functioning of the committee system measured by the number of committee meetings per committee per quarter | No of sec 79 committee meetings per committee per quarter | All | 4 |
| Effective functioning of ward committees to ensure consistent and regular communication with residents | No of ward committee meetings per ward per annum | All | 4 |
| IDP reviewed and approved annually by the end of May | IDP approved by the end of May | All | 100% |
| Financial viability measured in terms of the available cash to cover fixed operating expenditure | Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure | All | 3.75% |
| Financial viability measured in terms of the municipality's ability to meet its service debt obligations | Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year) | All | 8% |
| Financial viability measured in terms of the outstanding service debtors | Service debtors to revenue – (Total outstanding service debtors/ revenue received for services) | All | 90% |
| Approved financial statements submitted by 31 August | Approved financial statements submitted | All | 100% |

| KPI | Unit of Measurement | Wards | Annual Target |
|---|---|-------|---------------|
| Compliance with GRAP 16, 17 & 102 to ensure effective asset management | 0 findings in the audit report on non-compliance | All | 0 |
| Compliance with the SCM Act measured by the limitation of successful appeals against the municipality | 0 successful appeals | All | 0 |
| Effective and efficient property valuations | % of successful disputes | All | 0% |
| Improved revenue collection | % Debt recovery rate | All | 90% |
| Improvement in capital conditional grant spending measured by the % spent | % of the grant spent | All | 100% |
| Improvement in operational conditional grant spending measured by the % spent | % of the grant spent | All | 100% |
| No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit | % of Root causes addressed | All | 50% |
| Integrated development planning measured by the alignment of the municipal spending with IDP | The percentage of a municipality's capital budget spent on capital projects identified in the IDP | All | 100% |
| Annual report and oversight report of council submitted before the end of January | Approved annual report | All | 100% |
| No of Section 57 performance agreements signed by the end of July | No of performance agreements signed | All | 5 |
| Effective communication with communities | Approved strategy by May 2012 | All | 100% |
| The municipality comply with all the relevant legislation | 0 findings in the audit report on non-compliance with laws and regulations | All | 0 |
| To determine citizen satisfaction | Citizen satisfaction survey conducted by June 2012 | All | 100% |
| Functional audit committee measured by the number of meetings per annum | No of meetings held | All | 4 |
| Initiatives in the anti-corruption policy is successfully implemented | Reviewed anti-corruption strategy | All | 100% |
| Risk based audit plan approved by June 2012 | Plan approved | All | 100% |
| Strengthen the role of communities by facilitating ward based development plans | No of ward based development plans completed | All | 13 |
| The municipality listens and talks back to its people by ensuring that the IDP is endorsed by all wards | No of ward committees endorsing the IDP | All | 13 |
| Spatial development plan aligned with PSDF and PGDS | Revised SDF by June 2012 | All | 50% |
| The IDP is comprehensive and complies with the requirements of the Systems Act | No of required sectoral plans included in the IDP | All | 6 |

Table 75: Services Delivery Priorities for 2011/12

4.3.3 A WELL SERVICED OUTDSHOORN

| KPI | Unit of Measurement | Wards | Annual Target |
|---|---|-------|---------------|
| Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas | No of formal HH for which refuse is removed at least once a week | All | 13,080 |
| Provision of refuse removal, refuse dumps and solid waste disposal to all informal areas | No of informal HH for which refuse is removed at least once a week | All | 2,000 |
| Graveyards is maintained measured by the % of the maintenance budget spent | % of budget spent | All | 100% |
| Recreational areas is maintained measured by the % of the maintenance budget spent | % of budget spent | All | 100% |
| Develop and implement a comprehensive law enforcement strategy to decrease high risk violations | Strategy completed by June 2012 | All | 100% |
| Develop or implement a Fire Management Plan by the end of June to ensure effective fire brigade services | Plan developed by December 2011 | All | 100% |
| Review the Disaster Management Plan | Plan reviewed by December 2011 | All | 100% |
| Municipal parks and recreational areas is provided to all HH measured by the no of HH with access to recreational areas | No of wards with access or without access to recreational areas | All | 13 |
| Effective waste management capital spending measured by the % of budget spent | % spent of approved waste management capital projects | All | 100% |
| Maintenance of refuse removal assets | % of maintenance budget of refuse removal spent | All | 100% |
| Provision of free basic electricity in terms of the equitable share requirements | No of HH receiving free basic electricity | All | 5,200 |
| Provision of free basic electricity in terms of the equitable share requirements | Quantum (kwh pm) of free basic electricity per household | All | 50 |
| Provision of free basic refuse removal in terms of the equitable share requirements | No of HH receiving free basic refuse removal | All | 5,065 |
| Provision of free basic refuse removal in terms of the equitable share requirements | Quantum (R pm) of free basic refuse removal per month per household | All | R 60.50 |
| Provision of free basic sanitation in terms of the equitable share requirements | No of HH receiving free basic sanitation | All | 5,065 |
| Provision of free basic sanitation in terms of the equitable share requirements | Quantum (R pm) of free basic sanitation provided per HH | All | R 60.50 |
| Provision of free basic water in terms of the equitable share requirements | No of HH receiving free basic water | All | 13,172 |
| Quantum of free basic water per household in terms of the equitable share requirements | Quantum (kl pm) of free basic water provided per household | All | 6 |
| Updated indigent register for the provision of free basic services | Updated indigent register monthly | All | 100% |
| Provision of electricity that are connected to the national grid to all formal areas | No of HH in formal areas that meet agreed service standards | All | 18,155 |

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| KPI | Unit of Measurement | Wards | Annual Target |
|--|--|--------------|----------------------|
| Provision of electricity that are connected to the national grid to all informal areas | No of informal HH that will be provided with electricity services | All | 100 |
| Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH | No of formal HH that have at least VIP on site | All | 13,178 |
| Provision of sanitation systems limited to domestic waste water and sewerage disposal to informal HH | No of informal HH that will be provided with sanitation services | All | 20 |
| Provision of cleaned piped water to all formal HH within 200m from the household | No of formal HH that meet agreed service standards for piped water | All | 15,423 |
| Provision of cleaned piped water to all informal HH within 200m from the household | No of informal HH that will be provided with water connections | All | 30 |
| Effective electricity capital spending measured by the % of budget spent | % spent of approved electricity capital projects | All | 100% |
| Effective management of electricity provisioning systems | % of electricity unaccounted for | All | 7% |
| Electricity assets is maintained in terms of the maintenance budget spent | % of maintenance budget of electricity spent | All | 100% |
| Electricity connections to provide electricity reticulation to new developments | No of new electricity connections | All | 178 |
| Implement the maintenance schedules within the available budget by the end of June 2012 | Number of schedules | All | 5 |
| Improvement of electricity distribution capacity | Number of projects completed for the year | All | 7 |
| Effective municipal roads capital spending measured by the % of budget spent | % spent of approved roads capital projects | All | 100% |
| Maintenance of municipal roads | % of maintenance budget of municipal roads spent | All | 100% |
| Municipal roads is maintained measured by the kms/square meters of roads patched and resealed according to approved maintenance plan | Kms of roads patched and resealed | All | 24 |
| Provision of municipal roads measured by the km of new road for previously un-serviced areas | No of kilometres | All | 4 |
| Revision of the maintenance plan maintained on the Pavement Management System for municipal roads by the end of June 2012 | % revised the end of June 2012 | All | 100% |
| Implement the integrated transport plan in terms of the mobility strategy by the end of June 2012 | % of available budget spent | All | 100% |
| Effective stormwater capital spending measured by the % of budget spent | % spent of approved stormwater capital projects | All | 0% |
| Implementation of a Stormwater Master Plan by the end of June | Number of projects completed for the year | All | 5 |
| Improvement of sanitation systems limited to domestic waste-water and sewerage disposal | Number of projects completed for the year | All | 4 |
| Provision of stormwater management systems in built up areas to all formal HH | % of HH with | All | 100% |

| KPI | Unit of Measurement | Wards | Annual Target |
|--|--|-------|---------------|
| Provision of stormwater management systems in built up areas to all informal HH | % of HH with | All | 0% |
| Sanitation assets is maintained in terms of the maintenance budget spent | % of maintenance budget of sanitation spent | All | 100% |
| Stormwater assets is maintained in terms of the maintenance budget spent | % of maintenance budget of stormwater spent | All | 100% |
| Quality of waste water discharge measured by the % water quality level in terms of the general standards | % water quality level of waste water discharge | All | 60% |
| Effective management of water provisioning systems to limit unaccounted water | % of water unaccounted for | All | 20% |
| Effective water capital spending measured by the % of budget spent | % spent of approved water capital projects | All | 100% |
| New water connections to provide for potable water supply systems | No of new water connections per annum | All | 178 |
| Water assets is maintained in terms of the maintenance budget spent | % of maintenance budget of water spent | All | 100% |
| Excellent water quality measured by the quality of water as per SANS 241 criteria | % water quality level | All | 96% |

Table 76: Services Delivery Priorities for 2011/12

4.3.4 AN INCLUSIVE AND RESILIENT COMMUNITY

| KPI | Unit of Measurement | Wards | Annual Target |
|---------------------------------------|--|-------|---------------|
| Effective functioning of sport forums | No of meetings of the Greater Oudtshoorn Sport Council | All | 4 |

Table 77: Services Delivery Priorities for 2011/12

4.3.5 CREATING INTEGRATED HUMAN SETTLEMENTS IN A SUSTAINABLE ENVIRONMENT

| KPI | Unit of Measurement | Wards | Annual Target |
|--|---|-------|---------------|
| Development of an Integrated Human Settlement Strategy | Strategy completed by June 2012 | All | 100% |
| Provide low cost housing in Oudtshoorn and De Rust | No of houses built | All | 279 |
| Provision of sport facilities | No of wards with access to sport facilities | All | 13 |

Table 78: Services Delivery Priorities for 2011/12

4.4 BASIC SERVICE DELIVERY

4.4.1 BASIC SERVICES DELIVERY PERFORMANCE HIGHLIGHTS

| Highlight | Description |
|---|---|
| The technical department undertook several technical projects with successful completion, complying to council requirements | Construction of several Dysselsdorp CRDP projects |
| | Construction of roads and stormwater projects |
| | Maintenance of streets and stormwater |
| Successful spending and reporting (100%) of mig allocation in terms of the DORA in allocated timeframe | Proper infrastructure projects completed according to Council priorities |
| The municipality of Oudtshoorn successfully reached and doubled the EPWP target as set by national public works, which placed the municipality under the first 3 provincially | Regular beneficiary submissions created revenue to construct and maintain municipal assets, complying to Council requirements |

Table 79: Basic Services Delivery Highlights

4.4.2 BASIC SERVICES DELIVERY CHALLENGES

| Service Area | Challenge | Actions to address |
|---|-------------------------------------|---------------------------|
| Electricity for Informal Households | Availability of electricity | DOE Funding Application |
| Basic Bulk Water supply De Rust-Blomnek | Availability of funds | Apply for allocated funds |
| Rural areas | Availability of water | Water restrictions |
| All areas | Deteriorated water mains | Apply for allocated funds |
| All areas-roads and stormwater | Lack of internal and external funds | Apply for allocated funds |

Table 80: Basic Services Delivery Challenges

4.4.3 ACCESS TO FREE BASIC SERVICES

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than R 3 000 per month receive the free basic services as prescribed by national policy.

The table below shows that all the indigent households received free basic services in the 2009/10 financial year:

| Free Basic Services to Indigent Households | | | | | | | | | |
|--|--------------------------|-------------|-----|-------------|-----|-------------|-----|----------------|-----|
| Financial year | Number of households | | | | | | | | |
| | Total no. of indigent HH | Free access | | Free access | | Free access | | Free access | |
| | | Electricity | | Water | | Sanitation | | Refuse removal | |
| | | No. Access | % | No. Access | % | No. Access | % | No. Access | % |
| 2010/11 | 4 987 | 4 987 | 100 | 4 987 | 100 | 4 987 | 100 | 4 987 | 100 |

Table 81: Free basic services to indigent households

| Electricity | | | | | | | | | |
|----------------|---------------------|-------------------|--------|-------------------------|-------------------|--------|---------------------------|-------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | | Households in Eskom areas | | |
| | No of HH | Unit per HH (kwh) | Value | No of HH | Unit per HH (kwh) | Value | No of HH | Unit per HH (kwh) | Value |
| | | | R'000 | | | R'000 | | | R'000 |
| 2008/09 | 3 545 | 70kwh | 10 903 | 10397 | 70kwh | 55 364 | 113 | 50kwh | 32 |
| 2009/10 | 4 870 | 70kwh | 5 032 | 9 231 | 70kwh | 14 464 | 114 | 50kwh | 5 889 |
| 2010/11 | 4 987 | 70kwh | 6 134 | 9 324 | 00kwh | 0.00 | 123 | 70kwh | 127 |

Table 82: Free basic Electricity services to indigent households

| Water | | | | | | |
|----------------|---------------------|------------------|-------|-------------------------|------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | |
| | No of HH | Unit per HH (kl) | Value | No of HH | Unit per HH (kl) | Value |
| | | | R'000 | | | R'000 |
| 2008/09 | 3 545 | 6kl | 346 | 10 397 | 6kl | 1 014 |
| 2009/10 | 4 870 | 6kl | 475 | 9 231 | 6kl | 900 |
| 2010/11 | 4 987 | 6kl | 1 777 | 9 324 | 6kl | 3 323 |

Table 83: Free basic Water services to indigent households

| Sanitation | | | | | | |
|----------------|---------------------|----------------|-------|-------------------------|-----------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | |
| | No of HH | R value per HH | Value | No of HH | Unit per HH per month | Value |
| | | | R'000 | | | R'000 |
| 2008/09 | 3 545 | R 47.04 | 166 | 10 397 | R 47.04 | 846 |
| 2009/10 | 4 870 | R 49.87 | 2 914 | 9 231 | R 49.87 | 8 391 |
| 2010/11 | 4 987 | R 62.67 | 3 750 | 9 324 | R 62.67 | 9 230 |

Table 84: Free basic Sanitation services to indigent households

| Refuse Removal | | | | | | |
|----------------|---------------------|-------------------------|-------|-------------------------|-----------------------|-------|
| Financial year | Indigent Households | | | Non-indigent households | | |
| | No of HH | Service per HH per week | Value | No of HH | Unit per HH per month | Value |
| | | | R'000 | | | R'000 |
| 2008/09 | 3 545 | R 15.05 | 53 | 10 397 | R 15.05 | 270 |
| 2009/10 | 4 870 | R 47.88 | 2 798 | 9 231 | R 47.88 | 8 044 |
| 2010/11 | 4 987 | R 62.70 | 3 752 | 9 324 | R 62.70 | 7 015 |

Table 85: Free basic Refuse Removal services to indigent households per type of service

4.4.4 ACCESS TO BASIC LEVEL OF SERVICES

The following table indicates the number of households that **gained access for the first time** to the different types of basic services during the 2010/11 financial year:

| Type of service | 2008/09 | 2009/10 | 2010/11 |
|-----------------------|---------|---------|---------|
| Housing | 370 | 0 | 129 |
| Serviced Sites | n/a | n/a | 129 |
| Water | 247 | 217 | 1 050 |
| Sanitation | 218 | 252 | 1 050 |
| Refuse removal | 370 | 0 | 1 050 |
| Electricity | 409 | 148 | 194 |
| Streets & Storm Water | 125 | 345 | 129 |

Table 86: Access to basic level of services

A) CAPITAL BUDGET SPENT ON MUNICIPAL SERVICES

The percentage (%) of the total approved capital budget spent on each municipal service respectively for the 2008/09, 2009/10 and 2010/11 financial years respectively are as follows:

| Financial Year | Housing | Water | Sanitation | Refuse Removal | Electricity | Streets & Storm Water | Community facilities |
|----------------|---------|-------|------------|----------------|-------------|-----------------------|----------------------|
| | (%) | (%) | (%) | (%) | (%) | (%) | (%) |
| 2008/09 | 0 | 18 | 0 | 11 | 8 | 33 | 7 |
| 2009/10 | 0 | 9 | 11 | 0 | 10 | 33 | 20 |
| 2010/11 | 0 | 10 | 5 | 0 | 4 | 35 | 19 |

Table 87: Capex

*Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.

The following table indicates the total amount of capital expenditure on assets by asset class for the past three financial years:

| Description | 2008/09 | 2009/10 | 2010/11 |
|---|--------------|---------------|---------------|
| | Actual | Actual | Actual |
| | R'000 | R'000 | R'0001 |
| Capital expenditure on new assets by Asset Class/Sub-class | | | |
| Infrastructure | 8 934 | 21 198 | 25 899 |
| Infrastructure - Road transport | 4 218 | 14 506 | 17 333 |
| Roads, Pavements & Bridges | 4 218 | 14 506 | 17 333 |
| Infrastructure - Electricity | 1 201 | 2 238 | 1 589 |
| Transmission & Reticulation | 1 201 | 2 238 | 1 589 |
| Street Lighting | 0 | 0 | 0 |
| Infrastructure - Water | 3 354 | 3 146 | 4 676 |
| Dams & Reservoirs | 3 354 | 3 146 | 4 676 |
| Infrastructure - Sanitation | 162 | 1 308 | 2 301 |
| Reticulation | 162 | 1 308 | 2 301 |
| Infrastructure - Other | 0 | 0 | 0 |
| Waste Management | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |
| Community | 223 | 7 732 | 9 528 |
| Parks & gardens | 5 | 60 | 247 |

| Description | 2008/09 | 2009/10 | 2010/11 |
|--|---------------|---------------|---------------|
| | Actual | Actual | Actual |
| | R'000 | R'000 | R'0001 |
| Sports fields & stadia | 0 | 0 | 0 |
| Community halls | 0 | 136 | 0 |
| Recreational facilities | 218 | | 9 184 |
| Other | 0 | 7 536 | 97 |
| <u>Heritage assets</u> | 0 | 0 | 4 197 |
| Buildings | 0 | 0 | 4 197 |
| Other | 0 | 0 | 0 |
| <u>Investment properties</u> | 0 | 0 | 0 |
| Housing development | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |
| <u>Capital expenditure on new assets by Asset Class/Sub-class</u> | | | |
| <u>Other assets</u> | 8 289 | 5 311 | 6 331 |
| General vehicles | 764 | 572 | 2 822 |
| Plant & equipment | 597 | 0 | 1 256 |
| Furniture and other office equipment | 2 869 | 4 739 | 2 139 |
| Civic Land and Buildings | 2 674 | 0 | 0 |
| Other | 1 385 | 0 | 114 |
| <u>Agricultural assets</u> | 0 | 714 | 0 |
| <i>BOREHOLES</i> | 0 | 714 | 0 |
| <u>Biological assets</u> | 0 | 0 | 0 |
| <i>List sub-class</i> | 0 | 0 | 0 |
| <u>Intangibles</u> | 44 | 149 | 4 321 |
| Computers - software & programming | 0 | 149 | 4 321 |
| <u>Lease Assets</u> | 44 | | |
| Total Capital Expenditure on new assets | 17 489 | 35 104 | 50 276 |
| <u>Specialised vehicles</u> | 549 | 467 | 0 |
| Refuse | 0 | 0 | 0 |
| Fire | 549 | 467 | 0 |
| Conservancy | 0 | 0 | 0 |
| Ambulances | 0 | 0 | 0 |

Table 88: Total capital expenditure on assets

*Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.

B) PERCENTAGE SPENDING ON TOTAL CAPITAL BUDGET

The total percentage (%) of the capital budget for the past three years is indicated in the table below:

| Financial year | % of Capital budget spent | Reasons for under spending |
|----------------|---------------------------|--|
| 2008/09 | 59 | Municipality was under administration, as well as new management |
| 2009/10 | 82 | Projects not completed, was rolled over to 2010/11 financial year |
| 2010/11 | 62 | Long term financing was applied for, only received in the last quarter of the financial year, therefore projects could not be started. |

Table 89: Total capital expenditure

4.4.5 WATER AND SANITATION

Water is probably the most fundamental and indispensable of natural resources – fundamental to life, the environment, food production, hygiene and power generation. Poverty reduction and improved water management are inextricably linked. Section 4B of the Constitution lists water and sanitation services limited to potable water supply systems and domestic wastewater and sewerage disposal systems as a local government function. Basic water is defined as 25 litres of potable water per day supplied within 200 meters of a household.

A) WATER SERVICE DELIVERY LEVELS

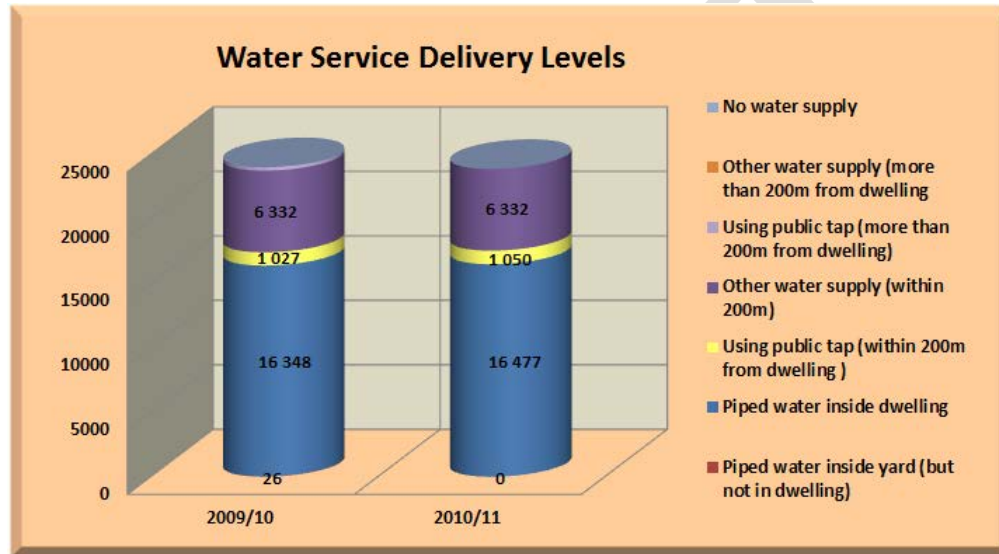
During the 2010/11 financial year **23 859 (100%)** households had access to water:

| Description | 2009/10 | 2010/11 |
|---|---------------|---------------|
| | Actual | Actual |
| Household | | |
| <u>Water:</u> (above minimum level) | | |
| Piped water inside dwelling | 16 348 | 16 477 |
| Piped water inside yard (but not in dwelling) | 26 | 0 |
| Using public tap (within 200m from dwelling) | 1 027 | 1 050 |
| Other water supply (within 200m) | 6 332 | 6 332 |
| Minimum Service Level and Above Sub-total | 23 733 | 23 859 |
| Minimum Service Level and Above Percentage | 99.36 | 100 |
| <u>Water:</u> (below minimum level) | | |
| Using public tap (more than 200m from dwelling) | 0 | 0 |
| Other water supply (more than 200m from dwelling) | 0 | 0 |
| No water supply | 154 | 0 |
| Below Minimum Service Level Sub-total | 154 | 0 |

| Description | 2009/10 | 2010/11 |
|--|---------|---------|
| | Actual | Actual |
| <i>Below Minimum Service Level Percentage</i> | 0.64 | 0 |
| Total number of households (formal and informal) | 23 887 | 23 859 |

Table 90: Water service delivery levels

The graph below shows the different water service delivery levels per total households and the progress per year:



Graph 8: Water service delivery levels

B) SANITATION SERVICE DELIVERY LEVELS

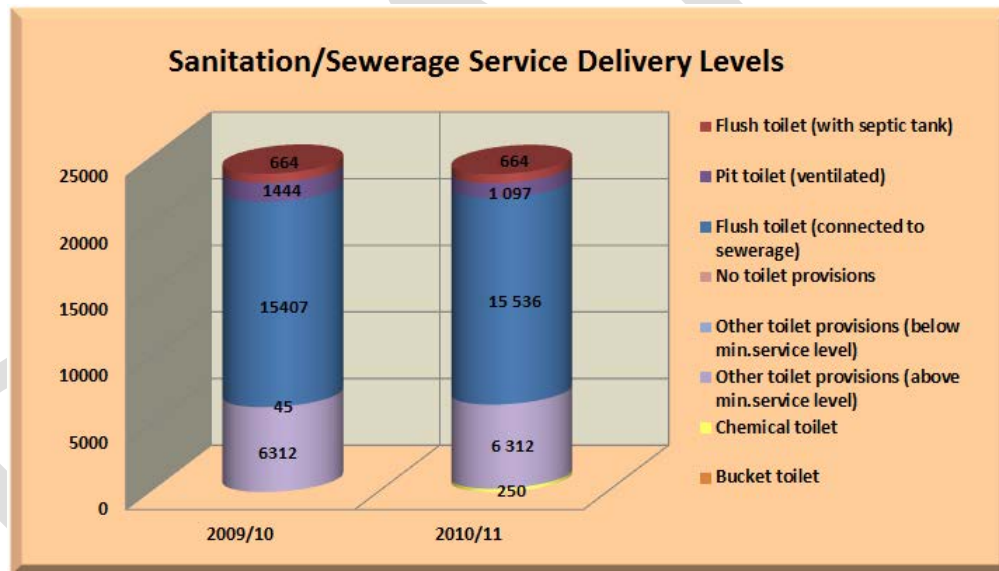
Below is a table that specifies the different sanitation service delivery levels per households for the financial years 2009/10 and 2010/11:

| Description | 2009/10 | 2010/11 |
|--|---------|--------------|
| | Actual | Actual |
| Household | | |
| <i>Sanitation/sewerage: (above minimum level)</i> | | |
| Flush toilet (connected to sewerage) | 15,407 | 15 536 |
| Flush toilet (with septic tank) | 664 | 664 |
| Chemical toilet | 0 | 250 |
| Pit toilet (ventilated) | 1,444 | 1 097 |
| Other toilet provisions (above minimum service level) | 6,312 | 6 312 |

| Description | 2009/10 | 2010/11 |
|---|---------------|---------------|
| | Actual | Actual |
| <i>Minimum Service Level and Above Sub-total</i> | 23 827 | 23 859 |
| <i>Minimum Service Level and Above Percentage</i> | 99.75 | 100 |
| <i>Sanitation (below minimum level)</i> | | |
| Bucket toilet | 0 | 0 |
| Other toilet provisions (below minimum service level) | 15 | 0 |
| No toilet provisions | 45 | 0 |
| <i>Below Minimum Service Level Sub-total</i> | 60 | 0 |
| <i>Below Minimum Service Level Percentage</i> | 0.25 | 0 |
| Total number of households (formal and informal) | 23 887 | 23 859 |

Table 91: Sanitation service delivery levels

The graph below shows the different sanitation/sewerage service delivery levels per total households and the progress per year:



Graph 9: Sanitation/Sewerage Service Delivery Levels

4.4.6 ELECTRICITY

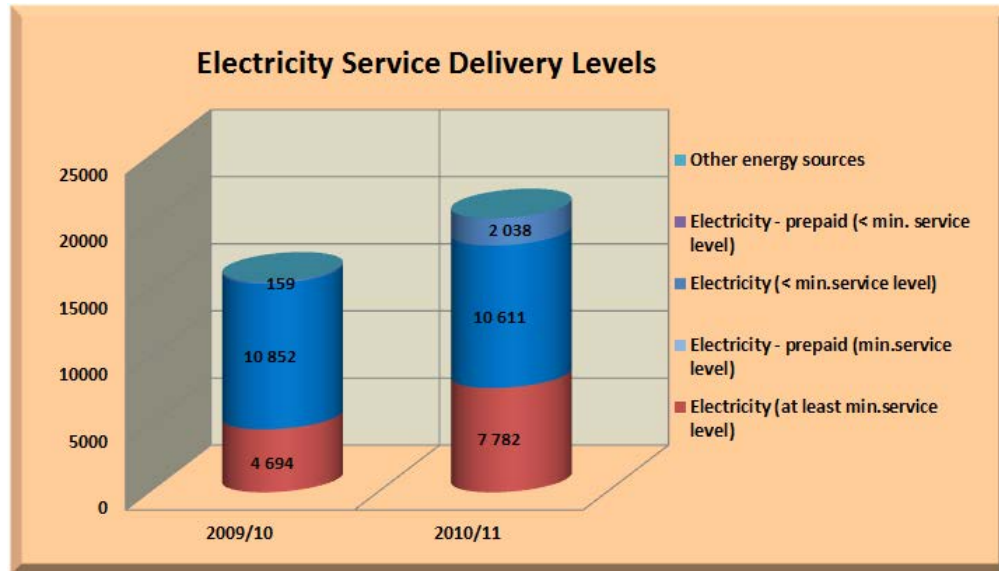
Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support. The table below indicates the different service delivery level standards for electricity in all formal areas within the Municipality:

The table below indicates the different service delivery level standards for electricity **within the urban edge area** of the Municipality:

| Description | 2009/10 | 2010/11 |
|--|---------------|---------------|
| | Actual | Actual |
| Household | | |
| <i>Electricity: (above minimum level)</i> | | |
| Electricity (at least minimum service level) | 4 694 | 7 782 |
| Electricity - prepaid (minimum service level) | 10 852 | 10 611 |
| <i>Minimum Service Level and Above Sub-total</i> | 15 546 | 18 393 |
| <i>Minimum Service Level and Above Percentage</i> | 98.99 | 90.02 |
| <i>Electricity (below minimum level)</i> | | |
| Electricity (< minimum service level) | 159 | 2 038 |
| Electricity - prepaid (< min. service level) | 0 | 0 |
| Other energy sources | 0 | 0 |
| <i>Below Minimum Service Level Sub-total</i> | 159 | 2 038 |
| <i>Below Minimum Service Level Percentage</i> | 1.01 | 9.98 |
| Total number of households | 15 705 | 20 331 |

Table 92: Electricity service delivery levels

The following graph shows the number of households categorised into the different service levels:



Graph 10: Electricity Service Delivery Levels

4.4.7 HOUSING

The following table shows the increase in the number of people on the housing waiting list. There are currently approximately **10 036** applicants on the waiting list.

| Housing waiting list | Nr of people on Housing waiting list | % Housing waiting list increase |
|----------------------|--------------------------------------|---------------------------------|
| 2008/09 | 7 800 | - |
| 2009/10 | 9 200 | 8.47 |
| 2010/11 | 10 036 | 8.33 |

Table 93: Housing waiting list

A summary of houses built and sites serviced includes:

| Financial year | Allocation | Amount spent | % spent | Number of houses built | Number of sites serviced |
|----------------|------------|--------------|---------|------------------------|--------------------------|
| | (R'000) | (R'000) | (%) | (#) | (#) |
| 2008/09 | 10 178 | 10 635 | 104.5 | 300 | 593 |
| 2009/10 | 13 658 | 242 | 1.8 | 0 | 0 |
| 2010/11 | 13 047 | 14 033 | 107.56 | 293 | 129 |

Table 94: Housing

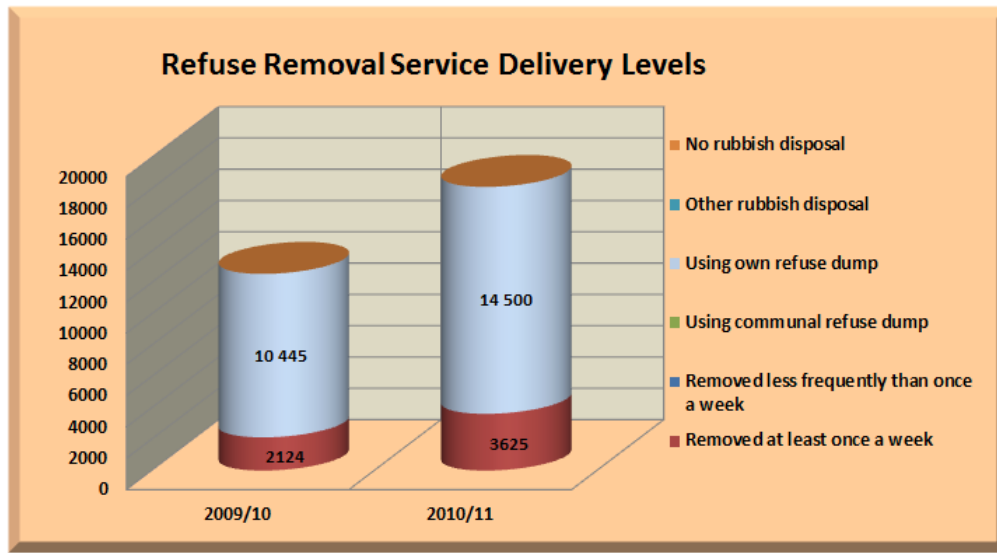
4.4.8 REFUSE REMOVAL

The table below indicates the different refuse removal service delivery level standards within the municipality. The 83.1% of service levels below minimum standards shows a slight decrease compared to the previous financial year due to growing service delivery.

| Description | 2009/10 | 2010/11 |
|--|---------------|---------------|
| | Actual | Actual |
| Household | | |
| <u>Refuse Removal:</u> (Minimum level) | | |
| Removed at least once a week | 2 124 | 3 625 |
| <i>Minimum Service Level and Above Sub-total</i> | 2 124 | 3 625 |
| <i>Minimum Service Level and Above Percentage</i> | 16.8 | 20.0 |
| <u>Refuse Removal:</u> (below minimum level) | | |
| Removed less frequently than once a week | - | - |
| Using communal refuse dump | - | - |
| Using own refuse dump | 10 445 | 14 500 |
| Other rubbish disposal | - | - |
| No rubbish disposal | - | - |
| <i>Below Minimum Service Level Sub-total</i> | 12 569 | 18 125 |
| <i>Below Minimum Service Level Percentage</i> | 83.1 | 80.0 |
| Total number of households (formal and informal) | 12 569 | 14 500 |

Table 95: Refuse removal service delivery levels

The following graph indicates the different refuse removal standards which the households are receiving:



Graph 11: Refuse removal service delivery levels

4.4.9 ROADS

The following tables give an overview of the total kilometres of roads maintained and new roads tarred:

A) TARRED ROADS

| Financial year | Total km tarred roads | Km of new tar roads | Km existing tar roads re-tarred | Km of existing tar roads re-sheeted | Km tar roads maintained |
|----------------|-----------------------|---------------------|---------------------------------|-------------------------------------|-------------------------|
| 2008/09 | 207 | 2 | 11 | 0 | 207 |
| 2009/10 | 209 | 2 | 9 | 0 | 209 |
| 2010/11 | 211 | 1.5 | 3 | 0 | 211 |

Table 96: Tarred roads

B) GRAVELLED ROADS

| Financial year | Total km gravel roads | Km new gravel roads constructed | Km gravel roads upgraded to tar | Km gravel roads graded/maintained |
|----------------|-----------------------|---------------------------------|---------------------------------|-----------------------------------|
| 2008/09 | 32 | 0 | 3 | 32 |
| 2009/10 | 32 | 3 | 2 | 35 |
| 2010/11 | 33 | 1 | 2 | 36 |

Table 97: Gravelled roads

C) COST OF CONSTRUCTION/MAINTENANCE

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

| Financial year | Gravel | | | Tar | | |
|----------------|--------|--------------|------------|-------|-----------|------------|
| | New | Gravel - Tar | Maintained | New | Re-worked | Maintained |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| 2008/09 | 0 | 0 | 5 000 | 5 200 | 3 200 | 11 000 |
| 2009/10 | 2 000 | 2 800 | 6 000 | 5 850 | 3 500 | 14 000 |
| 2010/11 | 2 200 | 3 080 | 6 600 | 6 700 | 3 850 | 15 400 |

Table 98: Cost of Road Construction

4.4.10 STORM WATER

A) STORM WATER INFRASTRUCTURE

The table below shows the total kilometres of storm water maintained and upgraded as well as the kilometres of new storm water pipes installed:

| Financial year | Total km Stormwater measures | Km new stormwater measures | Km stormwater measures upgraded | Km stormwater measures maintained |
|----------------|------------------------------|----------------------------|---------------------------------|-----------------------------------|
| 2008/09 | 52.56 km | 1.2 km | 0.2 km | 5.5 km |
| 2009/10 | 53.06 km | 0.5 km | 0.8 km | 6 km |
| 2010/11 | 53.06 km | 0 km | 0 km | 2 km |

Table 99: Storm water Infrastructure

4.5 MUNICIPAL INFRASTRUCTURE AND OTHER GRANTS

The Municipality had a total amount of **R 26 345 871** for infrastructure and other capital projects available that was received in the form of grants from the National and Provincial Governments during the 2010/11 financial year. The performance in the spending of these grants is summarised as follows:

| Description | 2008/09 | | 2009/10 | | 2010/11 | |
|--------------------------------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|
| | Amount Received | Amount Spent | Amount Received | Amount Spent | Amount Received | Amount Spent |
| National Government: (R'000) | | | | | | |
| Finance Management Grant | 500 | 234 | 750 | 889 | 1 000 | 1 022 |
| Municipal Systems Improvement Grant | 753 | 1 589 | 500 | 755 | 750 | 699 |
| Municipal Infrastructure Grant | 8 811 | 6 224 | 11 289 | 11 737 | 9 498 | 10 868 |
| Provincial Government (R'000) | | | | | | |
| Library subsidies (Operational) | 459 | 441 | 588 | 618 | 568 | 609 |
| Community Development Workers | 72 | 52 | 72 | - | 75 | 206 |
| Housing | 31 485 | 29 780 | 1 366 | 243 | 13 047 | 14 033 |
| Public Transport Facilities | 1 965 | 1 965 | 100 | 5 425 | 5 072 | 100 |
| Local Economic Development | 90 | 0 | - | - | 0 | 0 |
| Multi-Purpose Community Centre | 0 | 0 | - | 3 904 | 0 | 0 |
| District Municipality (R'000) | | | | | | |
| Water & Sanitation informal areas | 0 | 0 | 3 757 | 3 757 | 0 | 0 |
| Other grant providers (R'000) | | | | | | |
| National Lottery | 495 | 30 | - | - | 495 | 1 265 |

Table 100: Spending of grants

4.6 ADDITIONAL PERFORMANCE

The table below enclose all additional performance of the Municipality:

| Type of service | 2009/10 | 2010/11 |
|--|---|---|
| General Law enforcement | | |
| Motor vehicle licenses processed | 10 927 602 - 45 | 11 171 345 - 55 |
| Learner driver licenses processed | 7 537 | 7 314 |
| Driver licenses issued | 13 455 | 14 085 |
| Fines issued for traffic offenses | | 20 884 |
| R-value of fines collected | 1 756 | 1 605 |
| Operational call-outs | 98 | 118 |
| Roadblocks held | 182 | 202 |
| Complaints attended to by Traffic Officers | 630 | 580 |
| Special Functions – Escorts | 336 | 410 |
| Awareness initiatives on public safety | 50 | 75 |
| Fire Services | | |
| Operational call-outs | 270 | 455 |
| Estimated Fire Losses | 11 | 13 |
| Awareness initiatives on fire safety | 14 | 11 |
| Town Planning and Building Control | | |
| Building plans application processed | 250 | 264 |
| Total surface (m ²) | 257 403m ² | 27 363m ² |
| Approximate value | R 109 021 540.00 | R 107 045 720.00 |
| New residential dwellings | 50 | 36 |
| Residential extensions | 180 | 209 |
| New Business buildings | 0 | 0 |
| Business extensions | 2 | 8 |
| Rural applications | 18 | 11 |
| Libraries | | |
| Library members | 245 759 | 268 750 |
| Books circulated | 306 987 | 353 971 |
| Exhibitions held | 3 every quarter | 3 every quarter |
| Internet users | No access for public | No access for public |
| New library service points or Wheelie Wagons | 0 | 0 |
| Children programmes | Do outreach programs for 27 schools quarterly | Do outreach programs for 27 schools quarterly |

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| Type of service | 2009/10 | 2010/11 |
|--|--|--|
| Visits by school groups | Spelling Bee held once every year | Spelling Bee held once every year |
| Book group meetings for adults | Issue books for 3 old age homes for period of six months | Issue books for 3 old age homes for period of six months |
| Primary and Secondary Book Education sessions | Cami program: 987 lessons which are offered to scholars by all libraries. | Cami program: 1979 lessons which are offered to scholars by all libraries. |
| Social Services | | |
| Trees planted | 321 trees planted in different wards | 403 trees planted in different wards |
| Veggie gardens established | None | Scrosoppi Centre food garden |
| Soup kitchens established or supported | 24 soup kitchens points established in all wards | 26 Soup kitchens operational in all 13 wards |
| Initiatives to increase awareness on child abuse | No budget | No budget |
| Youngsters educated and empowered | Rural performing arts workshop Job readiness skills training Arc welding training Governance and law-making workshop Project Management course Project Citizenship and Governance Education Community research and development workshop Computer training | Driver`s license programme Basic computer training Project management training Leadership development Event management Life skills training Entrepreneurship training Interview skills workshops CV writing workshops Career Expo Job shadowing Numeracy and literacy programme Career counselling/outreach programmes Spelling Bee competition |
| Initiatives to increase awareness on women | No budget | Gender workshop Women's day – sport events |
| Initiatives to increase awareness on Early Childhood Development | No budget | No budget |
| Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes | No budget | Substance abuse Awareness programmes - March in Dysselsdorp - Drama group |
| Special events hosted (World's Aids Day, World Arbour day, World Disability Day, Youth Day, 16 Days of activism against women abuse) | World Aids Day Youth day celebrations 16 Days of Activism against women and children | 16 days of Activism against women and children World Aids Day World Disability Day |

| Type of service | 2009/10 | 2010/11 |
|---|--|--|
| | | Women`s Day celebrations Child protection week |
| Local economic development initiatives | | |
| Small businesses assisted | 20 | 54 |
| SMME's trained | 78 | 80 |
| Community members trained for tourism | 0 | 15 |
| Local artisans and crafters assisted | 15 | 34 |
| Wire and Poles: Fencing of refuse containers | Completed | N/A |
| Repair of bulk refuse containers | Completed | N/A |
| Street cleansing and refuse removal (KKNK) | Once a year | Once a year |
| Cleaning of open spaces | On a daily basis | On a daily basis |
| Refuse removal (skips) | On a daily basis | On a daily basis |
| Refuse removal (house hold and businesses) | On a daily basis | On a daily basis |
| Street cleansing (CBD) | On a daily basis | On a daily basis |
| Street cleansing (rural areas) | On a daily basis | On a daily basis |
| Complaints | On a daily basis | On a daily basis |
| Distribution of black refuse bags | Quality | Quality |
| Distribution of blue garden bags | On a daily basis bags are board at Municipal cashiers | On a daily basis bags are board at Municipal cashiers |

Table 101: Additional Performance

4.7 LED

4.7.1 HIGHLIGHTS: LED

The following performance highlights with regard to the implementation of the LED strategy are:

| Highlights | Description |
|--|---|
| Printing the Economic Charter and getting signatures from role-players, and framing signed Charter for handing over to Council | Final Economic Charter printed in large format as well as framing the signed document to be put up in all Council Buildings |
| LED Charter and Steering committee launch function | The Municipality hosted a function to launch the Economic Charter and steering committee Role players from various sectors were invited to the event |

Table 102: LED Highlights

4.7.2 CHALLENGES: LED

The following challenges with regard to the implementation of the LED strategy are:

| Description | Actions to address |
|---|--|
| Unemployment and Job Creation | Intensify the job creation initiative in terms of the LED and IDP strategies |
| Black Economic Empowerment | Encouragement of small business development through BBBEE policies and Supply Chain Management processes |
| Lack of specific skills in the various economic sectors | Development of specific training programs through the various SETA's |
| Economic development | Investigate possibility of development of the local airport to improve possible growth |
| Lack of funding for LED projects | To source funding from the 2011 / 2012 budget for LED projects |
| Inadequate personal | To made provision for personal on the new organograms |

Table 103: Challenges LED

4.7.3 LED STRATEGY

A comprehensive LED strategy has been developed for Oudtshoorn Municipality with the primary objective to create a conducive environment for all the relevant stakeholders to pool resources and expertise in order to create a significant number of decent sustainable job opportunities in all the economic sectors. This constitutional responsibility has become even more urgent in the current climate of the global economic downturn, which has already sunk its teeth in our local economy and resulted in major job losses in various sectors. This has also brought about a more strategic focus on ensuring job retention versus the creation of new jobs. Our strategy should also illustrate how this region is going to contribute towards the national job creation and growth targets.

A core component of human development is to empower the local community to participate in the local economy in order to take charge of their own destiny and lessen the dependency on the social safety net provided by government and the relevant strategic partners. This is essentially the objective of an LED strategy with a pro-poor focus but also to strengthen the existing businesses. Skills development in the region is lacking far behind as had been indicated in the Integrated Development Plan (IDP) of Oudtshoorn Municipality and subsequent to this strategy it is essential that all the relevant stakeholders embark upon a comprehensive skills development programme. The skills development programme should essentially be directed to address the skills shortages required in the major economic sectors to ensure a market driven approach and to ensure the successful implementation of the LED Strategy.

The roll out of this strategy should also be done in a sustainable manner, meaning that the resources in the Oudtshoorn region should be optimally utilised as a catalyst for economic growth but not to the detriment of the environment. We should strike a balance to ensure that our future generation should also be in a position to utilise similar resources to address their socio-economic needs.

The progress with regard to the implementation of the LED strategy can be summarized as follows:

| Activity | Description | Progress | Impact |
|---|---|-----------|---|
| 1(a) Develop a draft Terms of Reference (ToR) for the LED Steering committee 1(b) Develop Draft Economic Charter | Develop a comprehensive Terms of Reference detailing the criteria for the LED Steering committee | Completed | Set out guidelines for LED Steering Committee |
| 2. Community Participation | One-on-one meetings with role-players to discuss ToR and LED Steering Committee and Economic Charter | Completed | Get buy-in from business fraternity and other economic role-players for LED Steering Comm. and commitment document |
| 3. Comments on draft documents from role players | Role-players give input on draft ToR and Economic Charter via e-mail, telephone calls, and meetings | Completed | Role-players are actively involved in setting out the guidelines for the Steering Comm. and the Economic Charter, thus becoming partners of the process |
| 4. Amend ToR and Economic Charter – develop second drafts | Amend the ToR and Economic Charter based on the comments from role players and compilation of second drafts | Completed | The comments of the role players become part of the final ToR and Economic Charter ensuring that views of role-players are included |
| 5. Submission of Second Draft ToR and Economic Charter | Submit second Draft ToR and Economic Charter for approval by Municipality | Completed | Municipality gives input on second draft ToR and Economic Charter |
| 6. Plan and conduct stakeholder engagement workshop | Plan a workshop with a wide spectrum of role-players in the economy. All the sectors to be | Completed | Stakeholders get an opportunity to give collective input in the second draft ToR |

| Activity | Description | Progress | Impact |
|--|---|-----------|--|
| | represented. Draw up an Agenda for the workshop. Prepare presentations for workshop. | | and Economic Charter before the compilation of the Final documents. |
| 7. Amend ToR and Economic Charter – develop final drafts | Amend the ToR and Economic Charter based on the comments from role players at the workshop. Prepare final draft for submission to the Municipality. | Completed | Inputs made at the sectoral break-away as well as from the plenary session are included in the final documents. Public participation/ stakeholder engagement objectives ensured. |
| 8. Approval of ToR and Economic Charter | Municipality approves the Final Draft ToR for the LED Steering Committee and the Economic Charter | Completed | Municipality agrees that this deliverable is completed |
| 9. Circulation of Final ToR to role-players | Circulate approved ToR to all role-players for perusal in preparation for launch of Steering Committee | Completed | Role-players receive final documents for perusal and preparation for launch of Steering Committee and signing the commitment documents (Economic Charter) |

Table 104: LED progress

4.5.2 ECONOMIC ACTIVITY

The table below identifies the economic activity within the different sectors (based on available statics from the 2001 census and 2007 community survey):

| Economic activity by sector (R'000) | | | |
|--|----------------|------------------|-----------------------|
| Sector | 2001 | 2007 | Average annual growth |
| Agriculture, forestry and fishing | 83 521 | 89 167 | 1.1% |
| Mining and quarrying | 309 | 333 | 1.2% |
| Manufacturing | 123 951 | 138 331 | 1.9% |
| Electricity and water | 58 822 | 57 951 | -0.3% |
| Construction | 22 666 | 49 921 | 14.1% |
| Wholesale and retail trade, catering and accommodation | 192 836 | 268 617 | 5.7% |
| Transport and communication | 68 699 | 93 549 | 5.2% |
| Finance and business services | 150 579 | 198 166 | 4.7% |
| Community, social and other personal services | 256 270 | 289 391 | 2.1% |
| Total | 957 654 | 1 185 427 | 3.6% |

Table 105: Economic activity by sector

4.5.3 LED INITIATIVES

The table below identifies the details of the various LED initiatives in the municipal area for the 2010/11 financial year:

| Description of project | No of man-hours created | Total Investment | Amount spent to date | Performance Highlights |
|---------------------------------|-------------------------|------------------|----------------------|--|
| | | R | | |
| NDPG | 510 | 13 878 | 13 878 | Spending of allocated budget |
| Upgrade sport stadiums | 141 | 1 400 000 | 1 400 000 | Completion of installation of irrigation system Bridgton sports ground pavilion |
| Tourism development | 16 | 11 000 | 11 000 | Provide marketing material for 16 local crafters for KKNK |
| LED capacity building | 20 | 50 000 | 50 000 | Building capacity in LED unit and developmental departments in Municipality |
| Oudtshoorn entrepreneurial fund | 45 | 1 500 000 | 850 000 | Partnership grant between CASIDRA and Oudtshoorn Municipality to provide financial assistance to entrepreneurs (SMMEs) |

Table 106: LED Initiatives

4.7.4 ECONOMIC ACTIVITY

The table below identifies the economic activity within the different sectors:

| Sector | 2008/09 |
|-------------------------------|------------|
| Agric, forestry and fishing | 18.85 |
| Mining and quarrying | 0.23 |
| Manufacturing | 14.21 |
| Wholesale and retail trade | 18.1 |
| Finance, property, etc. | 13.65 |
| Community and social services | 5.68 |
| Infrastructure services | 1.02 |
| Transport and Communication | 10.39 |
| General Government Services | 14.07 |
| Construction | 3.8 |
| Total | 100 |

Table 107: Economic activity by sector

4.8 TOURISM

4.8.1 AIM AND FUNCTION OF TOURISM SECTION

- Coordinating tourism bureau activities
 - Support marketing related activities
 - Develop new and support existing tourism related projects
 - Monitor impact of tourism on the economy
 - Facilitate BBBEE related initiatives in tourism sector
- Economic Development – leveraging opportunities in the tourism sector to contribute to economic development
- Market access opportunities – facilitating an enabling environment of products reaching markets; bridging the gap both social and geographic between rural producers and urban markets
- Social and Human Capital Development – Focus on entrepreneurial development through training interventions.

4.8.4 TRAINING/DEVELOPMENT

Constant training programmes were frequently running in partnership with Eden District Municipality, Oudtshoorn Municipality and Red door in the following:

- Craft and design
- Hospitality
- Tourism Management
- Developmental tourism programmes
- Marketing tourism

4.8.5 TOURISM AWARENESS/EVENTS

Annual events in the Oudtshoorn Municipal Region:

| Annual Event | Date |
|-----------------------------------|-----------------|
| De Rust Boere Mark | 4 February 2011 |
| ABSA KKNK | 31 March 2011 |
| Dry lands Oudtshoorn MTB Marathon | 6 May 2011 |
| Klein Karoo Klassique | 9 August 2010 |

Table 108: Tourism Awareness/Events

4.9 SERVICE PROVIDERS STRATEGIC PERFORMANCE

During the year under review the Municipality did not have a formal system in place to measure the performance of all service providers. The implementation of the performance framework will include measures to measure the performance of service providers. Each manager, however, regularly monitored and ensured that service providers complied with the requirements of the appointed contract. Details regarding service providers appointed will be included in the Municipality's Annual Report for 2011/2012.

CHAPTER 5

FUNCTIONAL PERFORMANCE



CHAPTER 5: FUNCTIONAL PERFORMANCE

This chapter provides information on the functional performance of the Municipality on the implementation of the Top Layer and Departmental SDBIP for 2010/11.

The municipal functional areas are as indicated below:

| Municipal Function | Municipal Function: Yes / No |
|---|---------------------------------|
| Constitution Schedule 4, Part B functions: | |
| Air pollution | Yes |
| Building regulations | Yes |
| Child care facilities | Yes |
| Electricity and gas reticulation | Yes |
| Fire fighting services | Yes |
| Local tourism | Yes |
| Municipal airports | Yes |
| Municipal planning | Yes |
| Municipal health services | No |
| Municipal public transport | Yes |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law | Yes |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto | No |
| Storm water management systems in built-up areas | Yes |
| Trading regulations | Yes |
| Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems | Yes |
| Constitution Schedule 5, Part B functions: | |
| Beaches and amusement facilities | No |
| Billboards and the display of advertisements in public places | Yes |
| Cemeteries, funeral parlours and crematoria | Yes |
| Cleansing | Yes |
| Control of public nuisances | Yes |
| Control of undertakings that sell liquor to the public | Yes |
| Facilities for the accommodation, care and burial of animals | No |
| Fencing and fences | No |
| Licensing of dogs | No |

| Municipal Function | Municipal Function: Yes / No |
|--|---------------------------------|
| Licensing and control of undertakings that sell food to the public | No |
| Local amenities | Yes |
| Local sport facilities | Yes |
| Markets | Yes |
| Municipal abattoirs | No |
| Municipal parks and recreation | Yes |
| Municipal roads | Yes |
| Noise pollution | Yes |
| Pounds | No |
| Public places | Yes |
| Refuse removal, refuse dumps and solid waste disposal | Yes |
| Street trading | Yes |
| Street lighting | Yes |
| Traffic and parking | Yes |

Table 109: Functional Areas

5.1 PERFORMANCE HIGHLIGHTS PER FUNCTIONAL AREAS

| Directorate/ Functional area | Sub Directorate | Highlights |
|---------------------------------|--------------------------|--|
| Office of the Municipal Manager | Municipal Manager | Effective coordination of all departments to implement budget and all programs |
| | | Effective functioning of all council activities |
| | Planning and Development | Effective implementation of pro-poor strategy for the municipality |
| | | Effective management of twinning relationship with Alphen aan den Rijn |
| | | Facilitate implementation of HIV/Aids program through twin city |
| | | Receive certificate of excellent work KKNK |
| | | Finalize building of MPCC |
| | | Implementation of neighbourhood development program (NDPG) |
| | | Facilitate SMME development funding through RED DOOR |
| | | Established functional ward committees in all 12 wards |
| | | Complete and adopt IDP |

| Directorate/ Functional area | Sub Directorate | Highlights |
|--------------------------------|---|---|
| | | Finalise performance contracts for municipal manager and directors |
| | | Establish functional sport council |
| | | Establish functional youth advisory centre |
| | | Held career counselling workshops for unemployed youth |
| | | Implement training program in project management for unemployed youth |
| | | Implement nutritional centres in all wards |
| Strategic Services | Social services | Establishment of Greater Oudtshoorn Local Aids council, Youth Council and Sport Council |
| | | Career Expo for schools in Greater Oudtshoorn |
| | | Implementation of Financial aid scheme for further education and training |
| | Local economic development unit | Mentoring 8 local tourism business Providing 16 local crafters marketing material |
| Infrastructure Services | Water and Sewerage | Participated for the first time in the Blue and Green Drop assessments by Dept. of Water Affairs |
| | Street and Stormwater | Stormwater Master plan was completed |
| Financial Services | Financial management support services | Audit outcome improved from a disclaimer to an qualified opinion |
| | Income | In difficult economic circumstances continued to achieve an acceptable debt collection rate |
| | Information Technology | Minimal downtime on IT network |
| Community Services | Housing | Housing Consumer Education for all low cost housing in all wards |
| | Parks, resorts and recreation | Provincial Arbor week held in Oudtshoorn attended by the Provincial Minister |
| | Cleansing services | KKNK - Zero complains received by the Department during KKNK and the area were clean immediately after KKNK |
| | Social development, sport and community halls | Building of Dysselsdorp Crèche in short time |
| | | All the Community Halls were used by the IEC as voting stations. |
| Corporate Services | Administration and Council Support Services | Established a sound and effective administration support service. |
| | | Council support services functioned effectively during this period and succeeded in rendering an effective service to the Council as a whole. |
| | Human Resources | During this period the workforce proofed their commitment to deliver successfully in terms of |

| Directorate/ Functional area | Sub Directorate | Highlights |
|------------------------------|-----------------|---|
| | | the goals identified in our Integrated Development Plans. |
| | Legal Services | All legal matters were attended to by professional qualified attorneys and advocates and the success rates of cases in courts were high during this period. |

Table 110: Performance highlights per functional area

5.2 OVERVIEW OF PERFORMANCE

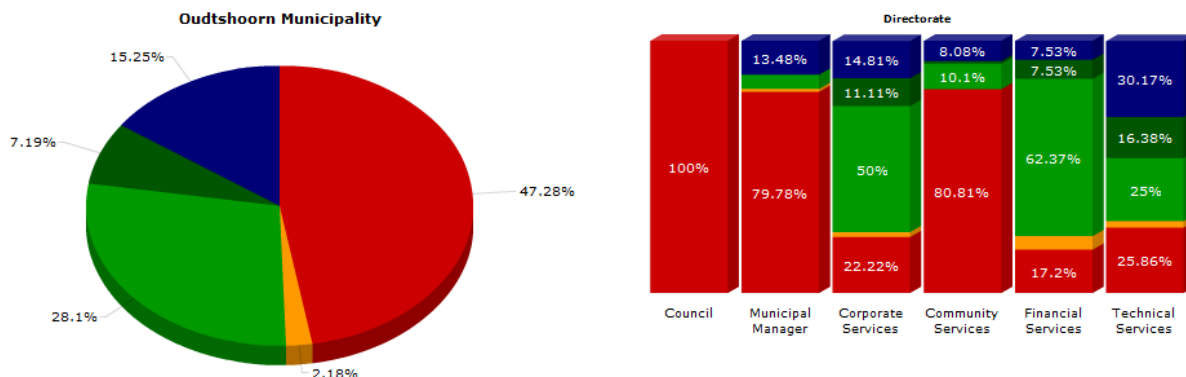
The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the Departmental SDBIP, which measures operational performance, as well as, the performance in terms of the Top Layer SDBIP. The graph for each directorate is an overview of the overall results of all the KPIs measured in terms of the municipal SDBIP performance management system.

| Directorates | Financial Year | Total KPIs | KPIs Extremely Well Met | KPIs Well Met | KPIs Met | KPIs almost Met | KPIs not Met |
|---------------------------------|----------------|------------|-------------------------|---------------|------------|-----------------|--------------|
| Office of the Municipal Manager | 2009/10 | 61 | 0 | 0 | 23 | 4 | 34 |
| | 2010/11 | 89 | 12 | 0 | 5 | 1 | 71 |
| Financial Services | 2009/10 | 57 | 0 | 0 | 37 | 8 | 12 |
| | 2010/11 | 93 | 7 | 7 | 58 | 5 | 16 |
| Corporate Services | 2009/10 | 117 | 0 | 0 | 17 | 7 | 93 |
| | 2010/11 | 54 | 8 | 6 | 27 | 1 | 12 |
| Technical Services | 2009/10 | 88 | 0 | 0 | 62 | 16 | 10 |
| | 2010/11 | 116 | 35 | 19 | 29 | 3 | 30 |
| Community Services | 2009/10 | n/a | n/a | n/a | n/a | n/a | n/a |
| | 2010/11 | 99 | 8 | 1 | 10 | 0 | 80 |
| Oudtshoorn Municipality | 2009/10 | 323 | 0 | 0 | 139 | 35 | 149 |
| | 2010/11 | 451 | 70 | 33 | 129 | 10 | 209 |

Table 111: Summary of total performance

Note: The table above does not include KPI's not measured yet in the Top Layer and Departmental SDBIP and two KPIs were deleted in terms of the applicable protocol. A reason for the deletion was that there were no targets for these specific KPIs.

The following graph indicates the overall results of all the KPIs measured of the various directorates in terms of the municipal SDBIP performance management system:



Graph 12: Overall performance of directorates

5.3 PERFORMANCE PER FUNCTIONAL AREA (DEPARTMENTAL/OPERATIONAL SDBIP)

5.3.1 OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager SDBIP consists of the following divisions:

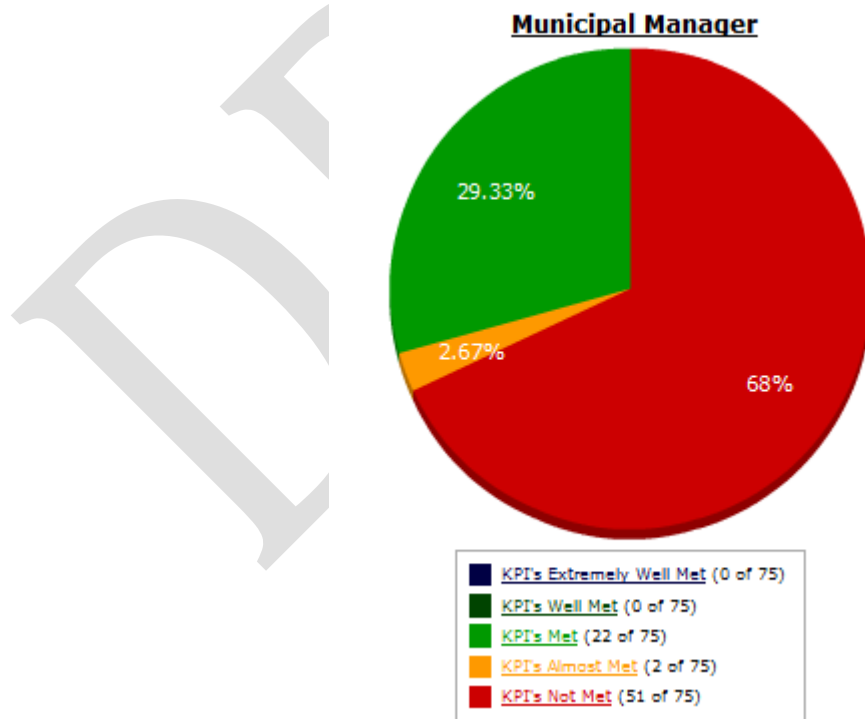
- Municipal Manager
- Planning and Development
 - Strategic services
 - Local Economic Development
 - Special Programmes
 - IDP & Performance
 - Communication
 - Public Participation
- Internal Audit
- Cango Caves

The Operational Key Performance Indicators for Office of the Municipal Manager are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|--|--|
| Good Governance and Public Participation | Good Governance and Public Participation | A well governed Oudtshoorn with local institutional strength |
| Municipal Financial Viability and Management | Municipal Financial Viability and Management | A well governed Oudtshoorn with local institutional strength |
| Municipal Transformation and Institutional Development | Municipal Transformation and Institutional Development | A well governed Oudtshoorn with local institutional strength |
| Basic Service Delivery | Integrated Settlements and Sustainable Environment | A well serviced Oudtshoorn |
| | Infrastructure and Basic Services | Creating integrated human settlements in a sustainable environment |
| | Human and Social Development | An inclusive and resilient community |
| Local Economic Development | Local Economic Development | A productive Oudtshoorn with robust economy |

Table 112: Functional alignment – Office of the Municipal Manager

The following graph indicates the performance of the various sub-directorates within Office of the Municipal Manager directorate in terms of the municipal SDBIP performance management system:



Graph 13: Office of the Municipal Manager, sub-directorate performance

5.3.2 TECHNICAL SERVICES

The Infrastructure Services SDBIP consists of the following divisions:

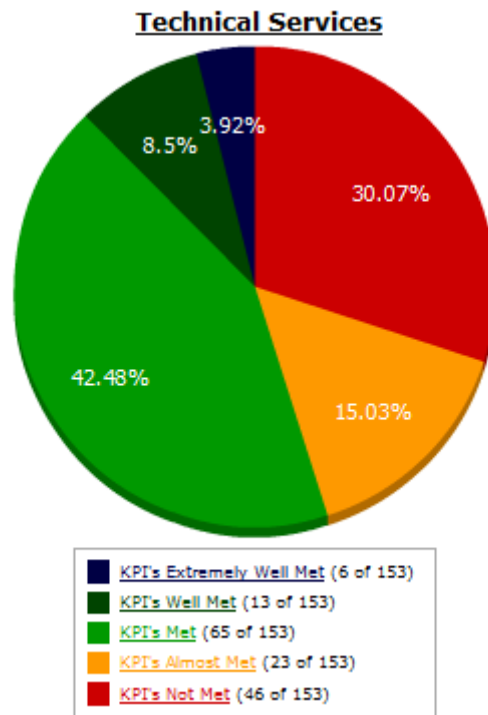
- Director: Technical Services
- Civil Engineering
- Water and Sewerage
- Street and Stormwater
- Waste Management
- Electro-technical services
- Electrical network
- Fleet management
- Project management

The Operational Key Performance Indicators for Technical Services are aligned to the follow National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|---|--|
| Good Governance and Public Participation | Good Governance and Public Participation | A well governed Oudtshoorn with local institutional strength |
| Municipal Financial Viability and Management | Municipal Financial Viability and Management | A well governed Oudtshoorn with local institutional strength |
| Municipal Transformation and Institutional Development | Municipal Transformation and Institutional Development | A well governed Oudtshoorn with local institutional strength |
| Basic Service Delivery | Integrated Settlements and Sustainable Environment Infrastructure and Basic Services Human and Social Development | A well serviced Oudtshoorn |
| | | Creating integrated human settlements in a sustainable environment |
| | | An inclusive and resilient community |
| Local Economic Development | Local Economic Development | A productive Oudtshoorn with robust economy |

Table 113: Functional alignment – Technical Services

The following graph indicates the performance of the various sub-directorates within Technical Services directorate in terms of the municipal SDBIP performance management system:



Graph 14: Technical Services sub-directorate performance

5.3.3 FINANCIAL SERVICES

The Financial Services SDBIP consists of the following divisions:

- Director: Financial Services
- Expenditure
- Financial management: support services
- Income
- Information Technology

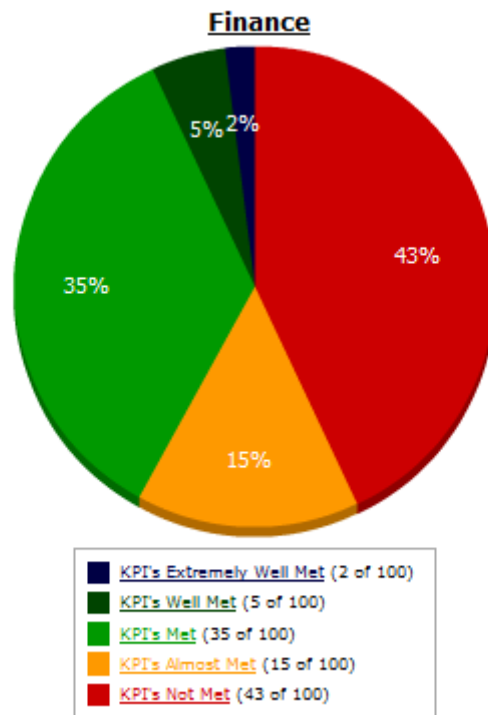
The Operational Key Performance Indicators for Financial Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|--|--|
| Good Governance and Public Participation | Good Governance and Public Participation | A well governed Oudtshoorn with local institutional strength |
| Municipal Financial Viability and | Municipal Financial Viability and | A well governed Oudtshoorn with local institutional strength |

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|--|--|
| Management | Management | |
| Municipal Transformation and Institutional Development | Municipal Transformation and Institutional Development | A well governed Oudtshoorn with local institutional strength |
| Basic Service Delivery | Integrated Settlements and Sustainable Environment | A well serviced Oudtshoorn |
| | Infrastructure and Basic Services | Creating integrated human settlements in a sustainable environment |
| | Human and Social Development | An inclusive and resilient community |
| Local Economic Development | Local Economic Development | A productive Oudtshoorn with robust economy |

Table 114: Functional alignment – Financial Services

The following graph indicates the performance of the various sub-directorates within Financial Services directorate in terms of the municipal SDBIP performance management system:



Graph 15: Financial Services sub-directorate performance

5.3.4 COMMUNITY SERVICES

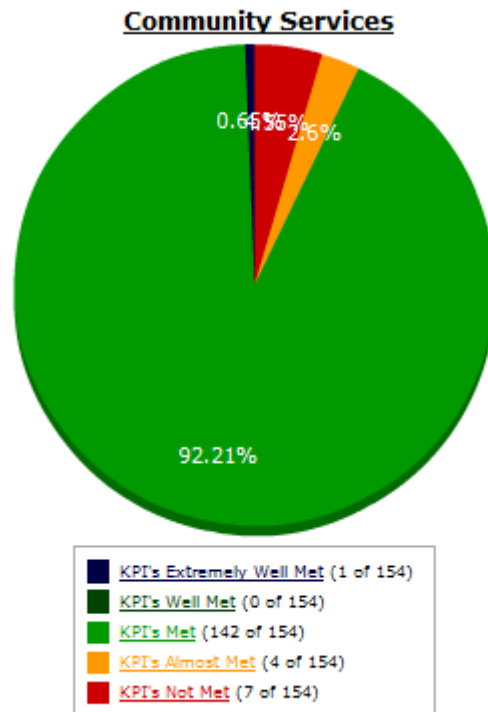
- Director: Community Services
- Town Planning
- Housing
- Libraries
- Protection services
- Parks, resorts and recreation
- Cleansing services
- Social development, sport and community halls

The Operational Key Performance Indicators for Community Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|---|--|
| Good Governance and Public Participation | Good Governance and Public Participation | A well governed Oudtshoorn with local institutional strength |
| Municipal Financial Viability and Management | Municipal Financial Viability and Management | A well governed Oudtshoorn with local institutional strength |
| Municipal Transformation and Institutional Development | Municipal Transformation and Institutional Development | A well governed Oudtshoorn with local institutional strength |
| Basic Service Delivery | Integrated Settlements and Sustainable Environment Infrastructure and Basic Services Human and Social Development | A well serviced Oudtshoorn |
| | | Creating integrated human settlements in a sustainable environment |
| | | An inclusive and resilient community |
| Local Economic Development | Local Economic Development | A productive Oudtshoorn with robust economy |

Table 115: Functional alignment –Community Services

The following graph indicates the performance of the various sub-directorates within Community Services directorate in terms of the municipal SDBIP performance management system:



Graph 16: Community Services sub-directorate performance

5.3.5 CORPORATE SERVICES

The Corporate Services SDBIP consists of the following divisions:

- Director: Corporate Services
- Administration and Council support services
- Human Resources
- Legal Services

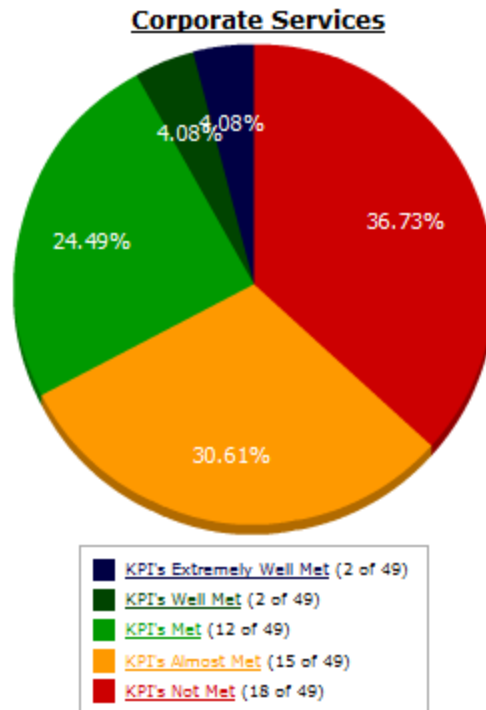
The Operational Key Performance Indicators for Corporate Services are aligned to the following National Key Performance Areas, Municipal Key Performance Areas and the IDP Strategic Objectives:

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|--|--|
| Good Governance and Public Participation | Good Governance and Public Participation | A well governed Oudtshoorn with local institutional strength |
| Municipal Financial Viability and | Municipal Financial Viability and | A well governed Oudtshoorn with local institutional strength |

| National Key Performance Area | Municipal Key Performance Area | IDP Strategic Objectives |
|--|--|--|
| Management | Management | |
| Municipal Transformation and Institutional Development | Municipal Transformation and Institutional Development | A well governed Oudtshoorn with local institutional strength |
| Basic Service Delivery | Integrated Settlements and Sustainable Environment | A well serviced Oudtshoorn |
| | Infrastructure and Basic Services | Creating integrated human settlements in a sustainable environment |
| | Human and Social Development | An inclusive and resilient community |
| Local Economic Development | Local Economic Development | A productive Oudtshoorn with robust economy |

Table 116: Functional alignment – Corporate Services

The following graph indicates the performance of the various sub-directorates within Corporate Services directorate in terms of the municipal SDBIP performance management system:



Graph 17: Corporate Services sub-directorate performance

CHAPTER 6

FINANCIAL PERFORMANCE



CHAPTER 6: FINANCIAL PERFORMANCE

6.1 FINANCIAL VIABILITY HIGHLIGHTS

| Highlight | Description |
|--|--|
| Improvement in cash and cash equivalents | Cash and cash equivalents improved by 36% (R35,98 million in 2010 to R48,98 million in 2011) |

Table 117: Financial Viability Highlights

6.2 FINANCIAL VIABILITY CHALLENGES

| Challenge | Action to address |
|---|--|
| Budget and Treasury Office not fully functional | Fill vacancies in section Provide training to ensure that 2011/2012 financial statements will be submitted by 31 August 2012 |
| Budget for 2011/2012 not cash funded | Ensure that the 2012/2013 budget is cash funded by introducing measure to improve debt collection and implement cost saving measures |
| Absence of long term financial planning | Develop a credible long term financial plan in line with the 2012 to 2017 Integrated Development Plan |
| Debtors collection period too long | Embark on a data cleansing project in order to determine which debt should be written off. Strict implementation of Credit control and debt collection policy |

Table 118: Financial Viability Challenges

6.3 FINANCIAL SUSTAINABILITY

A) NATIONAL KEY PERFORMANCE INDICATORS - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

| KPA & INDICATOR | 2008/09 | 2009/10 | 2010/11 |
|---|---------|---------|---------|
| Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year) | 8.71 | 12.94 | 12.59 |
| Service debtors to revenue – (Total outstanding service debtors/ revenue received for services) | 95.29 | 98.69 | 38.00 |
| Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure) | 3.75 | 2.11 | 1.76 |

Table 119: National KPIs for financial viability and management

**Note: figures in the previous years were amended and will therefore not match the figures in the annual performance report.*

6.3.1 OPERATING RESULTS

The table below shows a summary of performance against budgets:

| Financial Year | Revenue | | | | Operating expenditure | | | |
|----------------|---------|---------|--------|---|-----------------------|---------|--------|----|
| | Budget | Actual | Diff. | % | Budget | Actual | Diff. | % |
| | R'000 | R'000 | R'000 | | R'000 | R'000 | R'000 | |
| 2008/09 | 222 862 | 243 336 | 20 474 | 9 | 217 527 | 254 938 | 37 411 | 17 |
| 2009/10 | 299 100 | 262 618 | 36 482 | 0 | 297 237 | 271 836 | 25 401 | -9 |
| 2010/11 | 360 849 | 307 693 | 53 156 | 0 | 345 160 | 333 958 | 11 202 | -3 |

Table 120: Performance against budgets

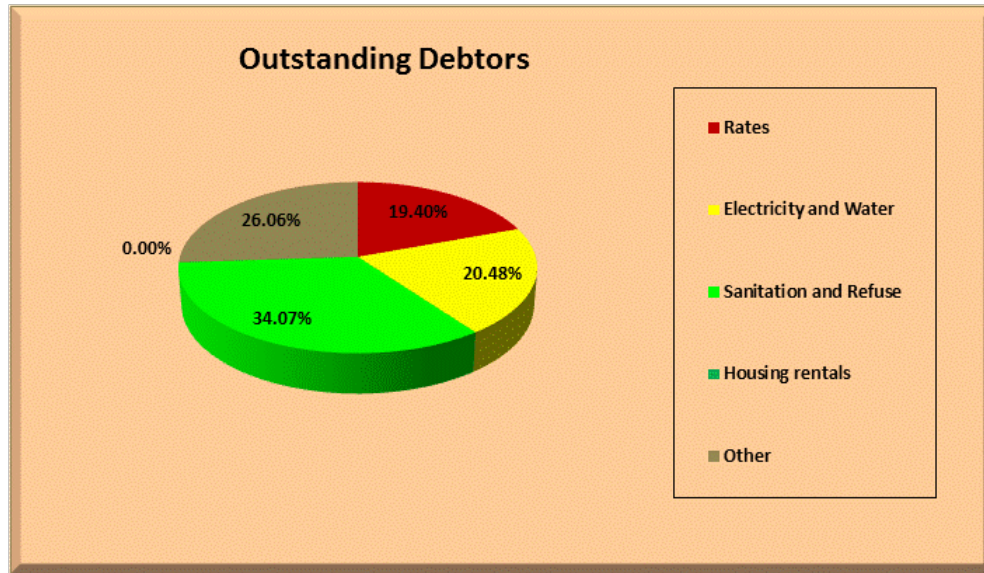
6.3.2 OUTSTANDING DEBTORS

A) GROSS OUTSTANDING DEBTORS PER SERVICE

| Financial year | Rates | Trading services | Economic services | Housing rentals | Other | Total |
|-----------------------|--------|-------------------------|-------------------------|-----------------|--------|--------|
| | | (Electricity and Water) | (Sanitation and Refuse) | | | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| 2008/09 | 14 910 | 23 711 | 24 940 | 4 | 5 161 | 68 726 |
| 2009/10 | 13 226 | 17 576 | 22 895 | 1 | 3 908 | 57 597 |
| 2010/11 | 14 771 | 15 597 | 25 945 | 1 | 19 843 | 76 157 |
| Difference | 1545 | -1 979 | 3050 | 0 | 15935 | 18 551 |
| % growth year on year | 19 | 20 | 34 | 0 | 26 | 100 |

Table 121: Gross outstanding debtors per service

The following graph indicates the total outstanding debt per type of service for 2010/11:



Graph 20: Debt per type of service

B) TOTAL DEBTORS AGE ANALYSIS

| Financial year | Current (0-30 days) | Between 31-60 days | Between 61-90 days | Between 91-120 days | More than 120 days | Total |
|-----------------------|---------------------|--------------------|--------------------|---------------------|--------------------|--------|
| | R'000 | R'000 | R'000 | R'000 | | R'000 |
| 2008/09 | 5 030 | 1 456 | 362 | 497 | 1 605 | 8 950 |
| 2009/10 | 2 647 | 1 917 | 1 800 | 1 440 | 1 706 | 9 510 |
| 2010/11 | 12 423 | 4 463 | 3 421 | 4 451 | 51 399 | 76 157 |
| Difference | 9 776 | 2 546 | 1 621 | 3 011 | 49 693 | 66 647 |
| % growth year on year | 16 | 6 | 4 | 6 | 67 | 100 |

Table 122: Service debtor age analysis

Note: Figures exclude provision for bad debt.

.3.3 VIABILITY INDICATORS

A) LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

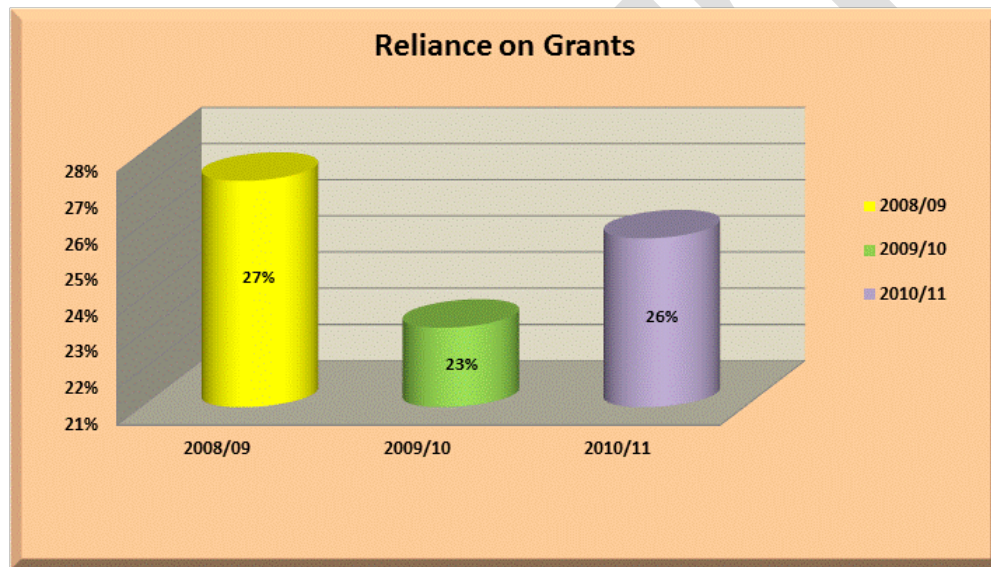
| Financial year | Total grants and subsidies recognised | Total Operating Revenue | Percentage (%) |
|----------------|---------------------------------------|-------------------------|----------------|
| | R'000 | R'000 | |
| 2008/09 | 68 596 | 251 704 | 27 |

| Financial year | Total grants and subsidies recognised | Total Operating Revenue | Percentage (%) |
|----------------|---------------------------------------|-------------------------|----------------|
| | R'000 | R'000 | |
| 2009/10 | 60 904 | 262 618 | 23 |
| 2010/11 | 78 964 | 307 693 | 26 |

Table 123: Reliance on grants

*Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.

The following graph indicates the Municipality's reliance on grants as percentage for the last three financial years:



Graph 21: Reliance on grants as %

B) LIQUIDITY RATIO

| Financial year | Net current assets | Net current liabilities | Ratio |
|----------------|--------------------|-------------------------|--------|
| | R'000 | R'000 | |
| 2008/09 | 121 438 | 50 944 | 2.38:1 |
| 2009/10 | 91 266 | 51 997 | 1.75:1 |
| 2010/11 | 125 893 | 87 958 | 1.43:1 |

Table 124: Liquidity ratio

6.3.4 AUDITED OUTCOMES

| Year | 2005/2006 | 2006/2007 | 2007/2008 | 2008/2009 | 2009/2010 | 2010/11 |
|--------|-----------|------------|------------|------------|-----------|---------|
| Status | Qualified | Disclaimer | Disclaimer | Disclaimer | Qualified | Pending |

Table 125: Audit outcomes

The following table provides the details on the audit outcomes for the previous financial year with the corrective steps implemented:

| 2010/11 | |
|----------------------------------|-----------------------------|
| Issue raised | Corrective step implemented |
| <u>Emphasis of matter:</u> | |
| <u>Significant uncertainties</u> | |
| | |
| | |
| | |
| <u>Emphasis of matter:</u> | |
| <u>Material losses</u> | |
| | |
| <u>Emphasis of matter:</u> | |
| | |
| <u>Emphasis of matter:</u> | |
| <u>Additional matters</u> | |
| | |
| | |

Table 126: 2010/11 Detail on audit outcomes

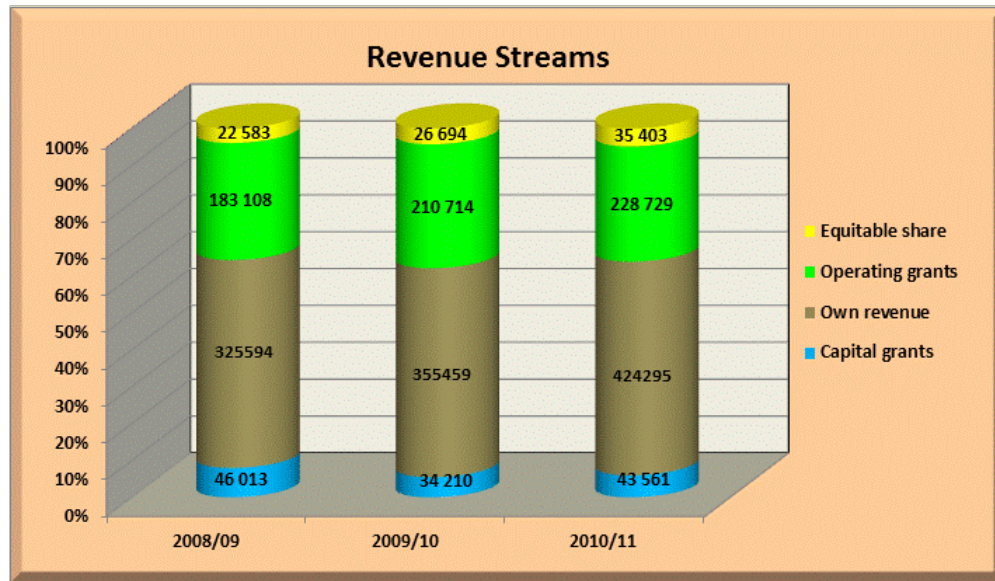
6.3.5 EQUITABLE SHARE VS TOTAL REVENUE

| Description of revenue | Amount recognised 2008/09 | Amount recognised 2009/10 | Amount recognised 2010/11 |
|----------------------------|------------------------------|------------------------------|------------------------------|
| | R'000 | R'000 | R'000 |
| Equitable share | 22 583 | 26 694 | 35 403 |
| Other grants and subsidies | 46 013 | 34 210 | 43 561 |
| Own revenue | 183 108 | 210 714 | 228 729 |
| Total revenue | 251 704 | 262 618 | 307 693 |

Table 127: Equitable share vs. total revenue

**Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.*

The following graph indicates the various revenue streams of the Municipality for the past three financial years:



Graph 22: Revenue streams

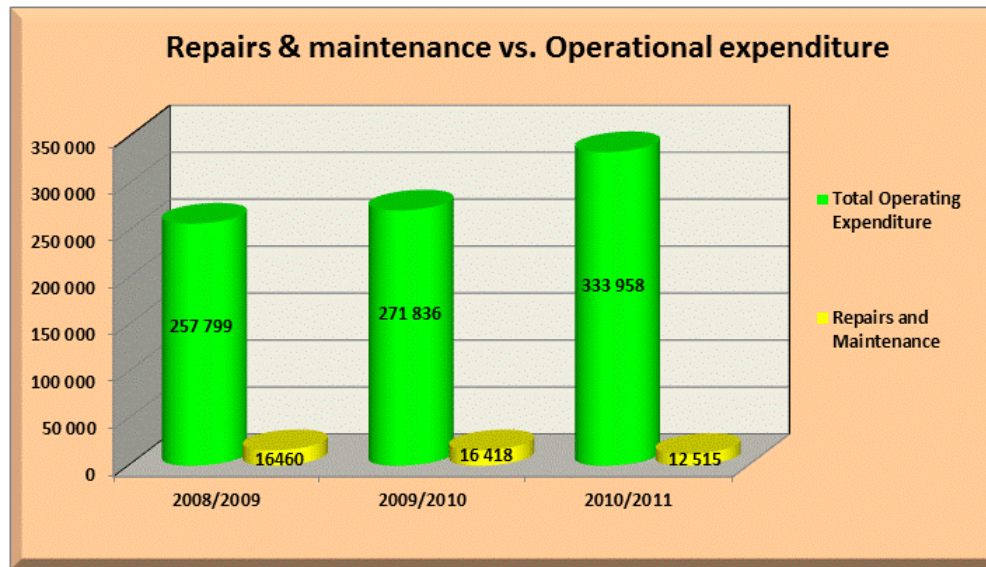
6.3.6 REPAIRS AND MAINTENANCE

| Description | 2008/2009 | 2009/2010 | 2010/11 |
|-----------------------------|--------------|--------------|--------------|
| | R'000 | R'000 | R'000 |
| Total Operating Expenditure | 257,799 | 271 836 | 333 958 |
| Repairs and Maintenance | 16,460 | 16 418 | 12 515 |
| % of total OPEX | 6.38% | 6.04% | 3.75% |

Table 128: Repairs & maintenance as % of total OPEX

*Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.

The following graph indicates the percentage of the budget that was spent on repairs & maintenance in relation to the operational budget:



Graph 23: Repairs and maintenance as percentage of OPEX

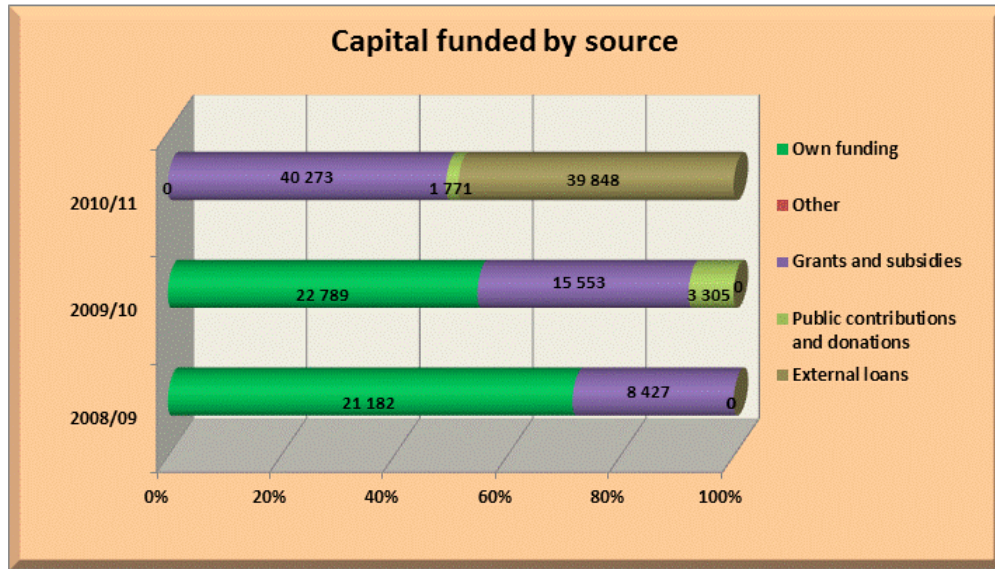
6.3.7 CAPITAL FUNDED BY SOURCE

| Description Source | 2008/2009 | 2009/2010 | 2010/11 |
|------------------------------------|---------------|---------------|---------------|
| | R'000 | R'000 | R'000 |
| External loans | 0 | 0 | 39 848 |
| Grants and subsidies | 8 427 | 15 553 | 40 273 |
| Public contributions and donations | 0 | 3 305 | 1 771 |
| Own funding | 21 182 | 22 789 | 0 |
| Other | 0 | 0 | 0 |
| Total capital expenditure | 29 609 | 41 647 | 81 892 |

Table 129: Capital funded by source

*Note: figures in the previous years were amended and will therefore not match the figures in the previous year annual report.

The following graph indicates capital expenditure funded by the various sources:



Graph 24: Capital funded by source

LIST OF ABBREVIATIONS

| | |
|--------------|---|
| AG | Auditor-General |
| BVM | Oudtshoorn Municipality |
| CAPEX | Capital Expenditure |
| CBP | Community Based Planning |
| CFO | Chief Financial Officer |
| DPLG | Department of Provincial and Local Government |
| DWAF | Department of Water Affairs and Forestry |
| EE | Employment Equity |
| GAMAP | Generally Accepted Municipal Accounting Practice |
| GRAP | Generally Recognised Accounting Practice |
| HR | Human Resources |
| IDP | Integrated Development Plan |
| IFRS | International Financial Reporting Standards |
| IMFO | Institute for Municipal Finance Officers |
| KPA | Key Performance Area |
| KPI | Key Performance Indicator |
| LED | Local Economic Development |
| MAYCO | Executive Mayoral Committee |
| MFMA | Municipal Finance Management Act (Act No. 56 of 2003) |
| MMC | Member of the Mayoral Committee |
| MIG | Municipal Infrastructure Grant |
| MM | Municipal Manager |
| MMC | Member of Mayoral Committee |
| MSA | Municipal Systems Act No. 32 of 2000 |

| | |
|--------------|---|
| MTECH | Medium Term Expenditure Committee |
| NGO | Non-governmental organisation |
| NT | National Treasury |
| OPEX | Operating expenditure |
| PMS | Performance Management System |
| PT | Provincial Treasury |
| SALGA | South African Local Government Organisation |
| SAMDI | South African Management Development Institute |
| SCM | Supply Chain Management |
| SDBIP | Service Delivery and Budget Implementation Plan |
| SDF | Spatial Development Framework |
| PPP | Public Private Partnership |

ANNEXURE A: FINANCIAL STATEMENTS

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ANNEXURE B: REPORT OF THE AUDITOR-GENERAL

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